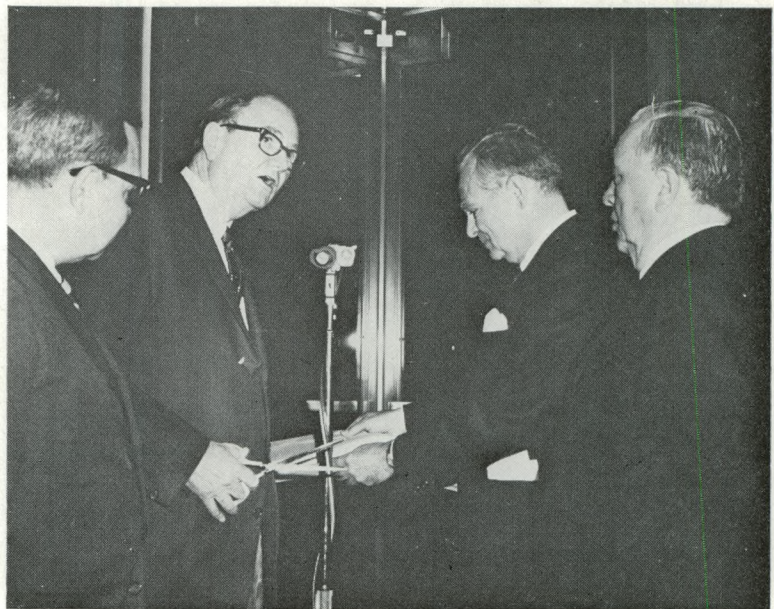
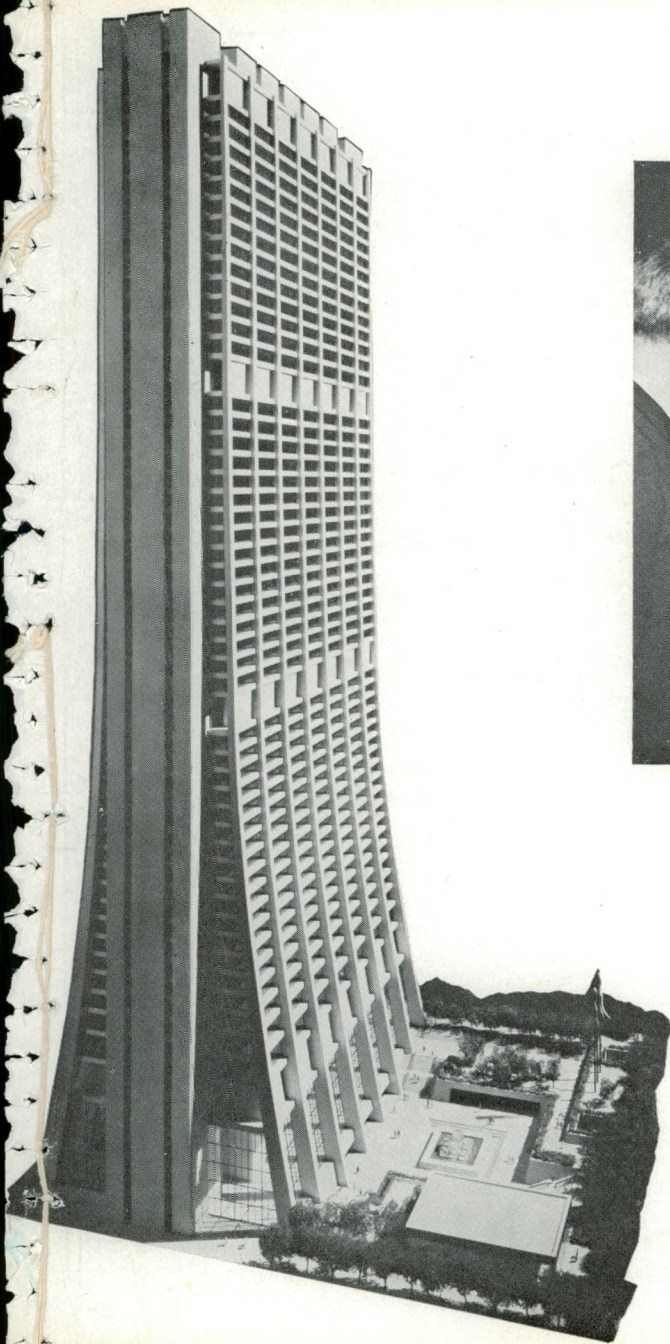


NORTHWESTERN *Banker*

**JUNE
1969**



**Officials Cut Ribbon
For \$110 Million
Bank Building**

—Page 115

CHOOSING A CITY CORRESPONDENT?

Select one with data processing capabilities to meet all your needs.

Data processing equipment is extremely expensive but there's no reason why you shouldn't have it at your disposal through your city correspondent. Indeed, for the speediest and most modern banking, you should demand it.

Other features to demand of a city correspondent are:

1. Overline services that meet your needs;
2. An International Department to help you help your customers with their foreign trade;
3. Investment counseling that meets your standard of performance;
4. Safekeeping that services as well as protects your securities.

MNB has these services and continues to add to them as new banking ideas become practicable. So when you choose a city correspondent, do what over half of the banks in Iowa do — bank at MNB.



MNB

MERCHANTS NATIONAL BANK

so many ways we can help you

CEDAR RAPIDS, IOWA 52401

Bond Portfolio.

Could computer analysis boost your profits?

**Ask the men
who wrote the book.**



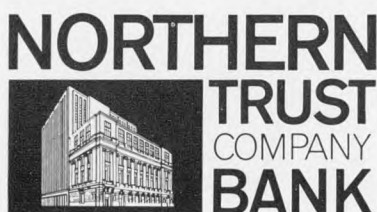
Your bank's bond portfolio, given the proper care and attention, can provide a significant portion of your bank's profits.

The Northern Trust's newly developed Bond Portfolio Analysis Service for evaluating *all* bonds in your portfolio can help you produce maximum net earnings with minimum demands on your organization.

This new service combines modern management science techniques, computer technology, and our extensive experience with our own bond portfolio. Using these skills, your Northern Trust banker will work closely with you to develop an investment program that suits your precise needs.

For further information, contact your Northern Trust banker who will be pleased to discuss this service with you—or call N. Hall Layman, Vice President.

**Trust Northern...
All your money matters matter to us.**



50 S. LA SALLE STREET AT MONROE
CHICAGO 60690 • Financial 6-5500 • Member F.D.I.C.

No. 1165. Northwestern Banker is published five times a month by the Northwestern Banker Company, 306 Fifteenth Street, Des Moines, Iowa 50309. Subscription 50¢ per copy, \$6 per year. Second class postage paid at Des Moines, Iowa. Address all mail (subscriptions, change of address, Form 3579, manuscripts, mail items) to above address.

Digitized for FRASER

<https://fraser.stlouisfed.org>

Federal Reserve Bank of St. Louis

We pay this man to watch over your bank



The moment you become a Scarborough patron, we assign a bank counselor in our office to your bank. He is your "Mr. Inside." By telephone, mail, and wire, he keeps in touch with your bank—and with "Mr. Outside," the

Scarborough man who calls on you. Mr. Inside maintains a continuously updated file on your bank. He does his utmost to see that you are always insured for your current risks and exposures, not for those of 5 or 10 years ago.

He is always watching out for a new situation within your bank that could leave you unprotected—and to keep you abreast of any newly developed cover pertinent to your bank.

He studies your changing operations to see that your insurance program is never pennywise at the operational level where peanuts are involved—at the expense of unprotected risks at the higher levels where embarrassing losses occur.

He regularly reviews your setup to keep your experience credit up, and your losses and premiums down . . . Mr. Inside is always on *your* side. It pays us well to pay him just for that. In the last 4 years, the banking community has again doubled its patronage with us.

One banker said, "I never dreamed such a completely dedicated insurance service could be available to our bank."

We'd like some day soon to appoint a "Mr. Inside" to watch over your bank.

50 years of insuring banks only

Scarborough

Scarborough & Company, 33 N. Dearborn St., Chicago 60602

Six Workshops in Denver

A series of six workshops have been scheduled for the week of June 23-27, in Denver, at the Denver Hilton Hotel. The workshops will be open to bankers with at least one year's experience in the relevant area, from banks with assets of \$50 million or more, and are sponsored by the Bank Administration Institute.

The six workshops have been scheduled on Costing EDP Services, Credit Cards Audit and Control, Branch Office Administration, Asset Management. The Trust Audit Function and Managing the EDP Function.

Institute workshops are brainstorming events for experienced personnel, lasting two and a half days, at which a group of from eight to 15 people meet under the chairmanship of an experienced banker. There are no formal programs.

Three workshops will run all day June 23 and 24, and the morning of June 25.

For further information, write The Registrar, Bank Administration Institute, P. O. Box 500, Park Ridge, Ill. 60068.

Two More Marks Passed

First Security Growth Fund, Inc., a mutual fund, has passed the \$4-million mark in net assets and the 800,000 shareholder mark as it continues its rapid growth.

The Fund is managed by Fund Management, Inc., a wholly owned subsidiary of First Mid America Inc., an investment banking firm with headquarters offices in Omaha and Lincoln.

Latest figures released in early May by Charles F. Heider, president of the Fund, show net assets now stand at more than \$4,800,000 with a total of 802,000 shares outstanding.

First Security Growth Fund, Inc., began public sale of shares last September.

The last reported figures from the semi-annual report to stockholders announced recently showed \$3,352,000 in net assets.

Correction

A special article in the April issue of the NORTHWESTERN BANKER was identified as being authored by Charles C. Smith, senior vice president in charge of marketing development for Irving Trust Company, New York.

The article, "Revolution in Bank Profit Sources Underway," was authored by Mr. Smith; however, he is senior vice president, market development, for Bankers Trust Company, New York.

We regret the incorrect identification.

NORTHWESTERN Banker

Oldest Financial Journal Serving
The Central and Western States

for your JUNE, 1969, reading

75th Year No. 1165

FEATURES

- 8 Bank Promotions and Changes
- 13 Conventions Calendar
- 14 Corporate News
- 29 Basic Concepts in Bank Management—*Allen P. Stults*
- 30 Measuring Profitability of Accounts Receivable
—*Stephen S. Diamond*
- 32 How a County Seat Bank Finances Small Businesses
—*Keith E. Roberts*
- 33 Chicago's Rigged Voting OK's "Right Bank on the Left Bank"
- 34 How We Hit \$30 Million in 13 Years—*Mrs. Doris J. Capps*
- 36 1969 Could Be Landmark Year—*Willis W. Alexander, Jr.*
- 38 Insurance—Money \$ Money \$ Money \$—*Robert J. Florin*

STATE BANKING NEWS

- 47 Minnesota Bankers Convention Program
- 50 Minnesota Convention Committees
- 54 Twin City News
- 63 South Dakota Bankers Elects Curtis A. Lovre—*Ben Haller, Jr.*
- 70 Al K. Simpson Heads North Dakota Bankers
—*Malcolm K. Freeland*
- 73 Colorado News
- 74 Wyoming Bankers Convention Program
- 76 You Will See Them at the Wyoming Convention
- 78 Montana Bankers Convention Program
- 80 You Will See Them at the Montana Bankers Convention
- 83 Adon Jeffrey Is Elected Nebraska Association President
—*Ben Haller, Jr.*
- 92 Lincoln News
- 94 Omaha News
- 99 Iowa Group Meeting Report—*Malcolm Freeland*
- 108 Des Moines News
- 113 Illinois Convention Report and Pictures—*Malcolm K. Freeland*

NORTHWESTERN BANKER

306 15th Street, Des Moines, Iowa 50309, Telephone (Area Code 515) 244-8163

Chairman
Clifford De Puy

Publisher
Malcolm K. Freeland

Editor
Ben J. Haller, Jr.

Associate Editor
Barbara Franklin

Advertising Assistant
Mildred Savich

Circulation Department
Lena Sutphin

Auditor
Bertha Soderquist

Field Representative
Al Kerbel

Field Representative
Joe M. Smith

Field Representative
Paul Masters

Frank P. Syms, Vice President, 663 Fifth Avenue, New York 10022, JUdson 2-7126

Northwestern Banker, June, 1969

Should BCL be this big & healthy in just 5 years?

National statistics for growth of insurance companies say no.

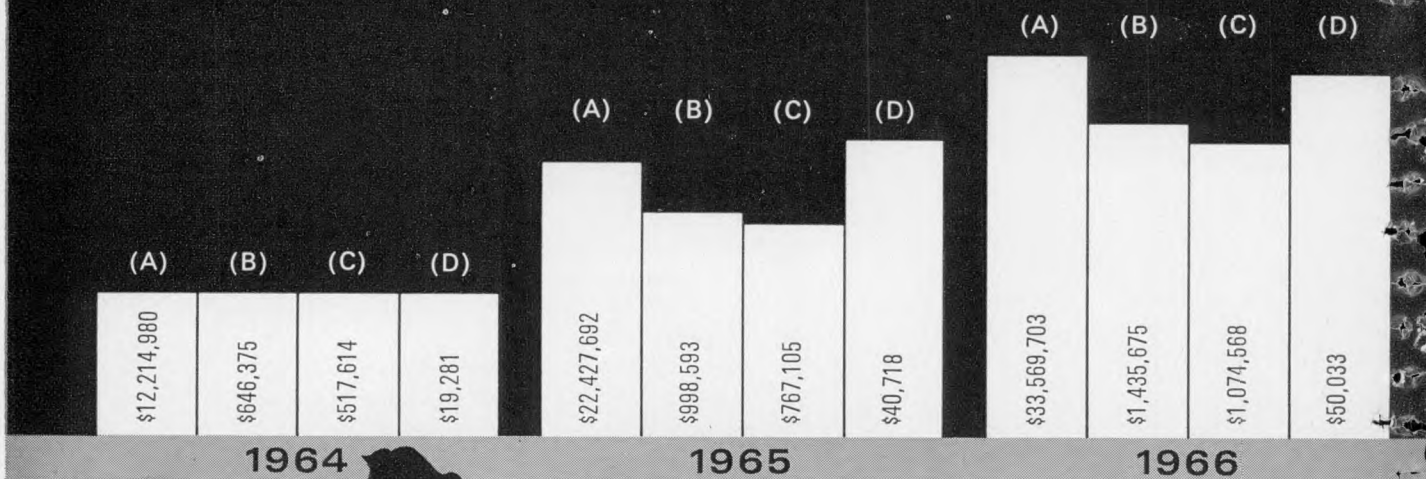
But BCL management, agents and policyholders say yes.

So here after Year 5 we share the picture with you.

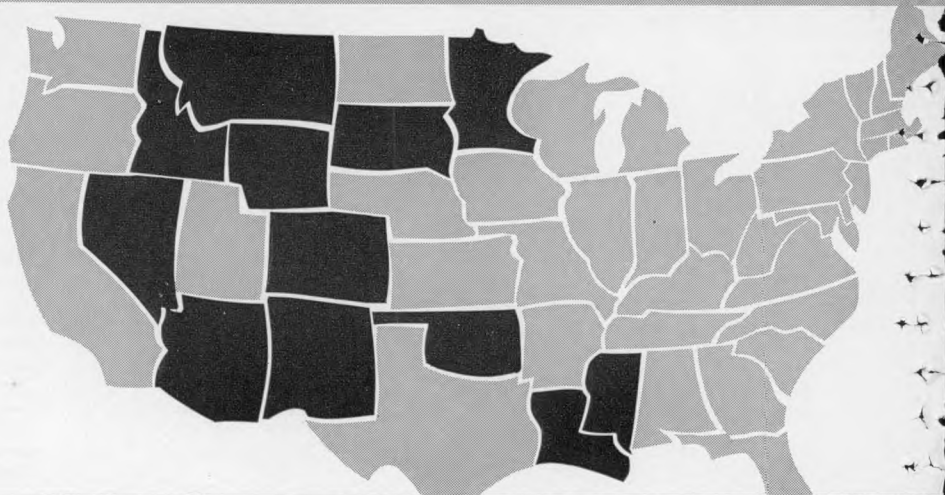
A picture of happily climbing sales totals, but also with financial growth in assets and income that's sound, balanced and stable.

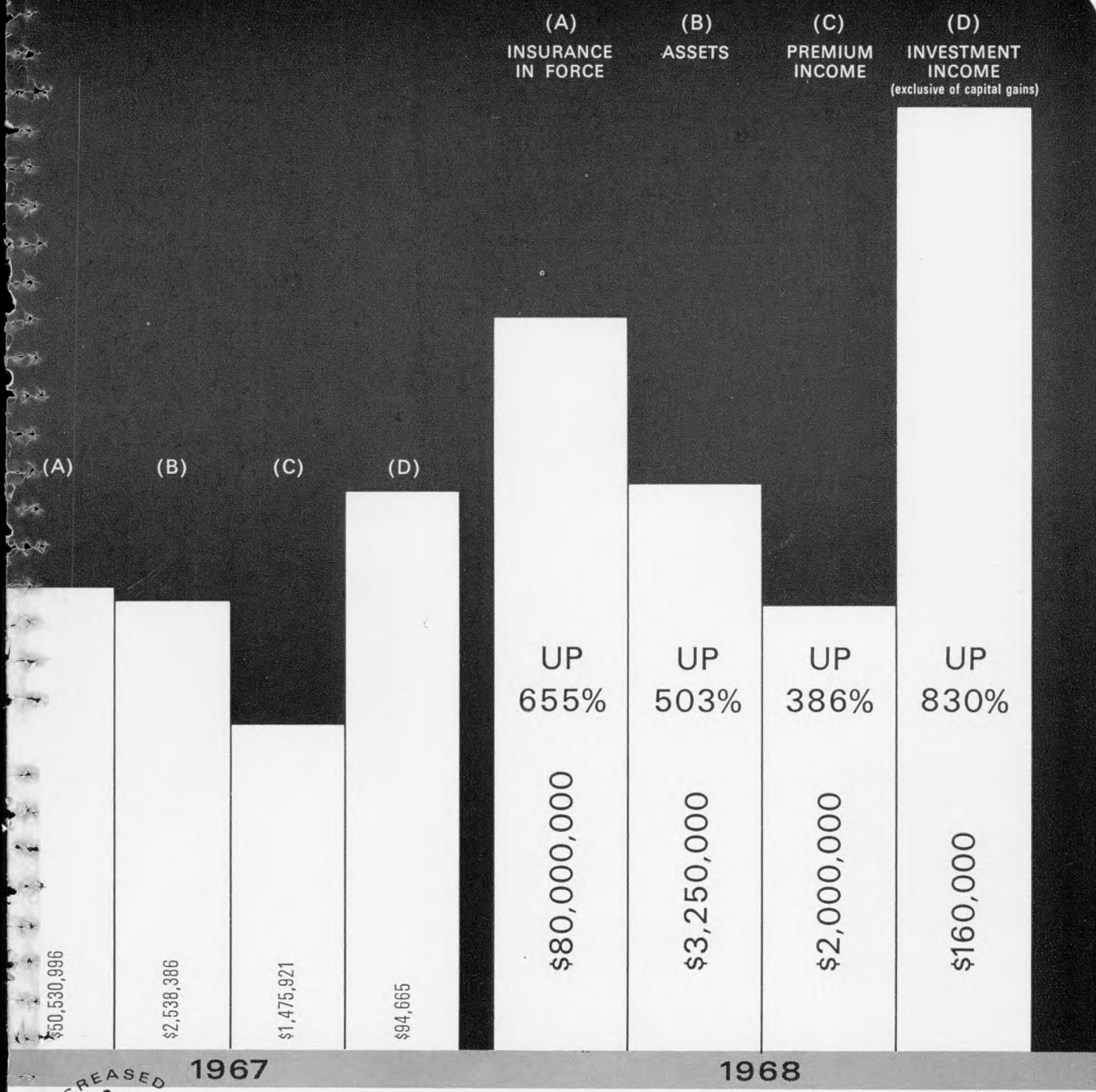
Do you fit into the BCL picture anywhere? As stockholder, agent or staff?

If so, call, write or visit the home office.



*BCL licensing
in 13 states
expands
agent
opportunities*





BCL's IBE program steps up service and benefits to banker-agents with *greater variety of protection plans, including group hospitalization and medical coverage* more efficient automated and computer-gearred home office operation *enlarged marketing territory* direct access problem solver personnel *generous commissions *same basic contract for all banker-agents * attractive agent incentive program.

Grow along with BCL—get in on the action now...



BANKERS CAPITAL LIFE
INSURANCE COMPANY

2800 Wayzata Boulevard, Minneapolis, Minn. 55405 • (612) 377-9050

Bank Promotions and Changes

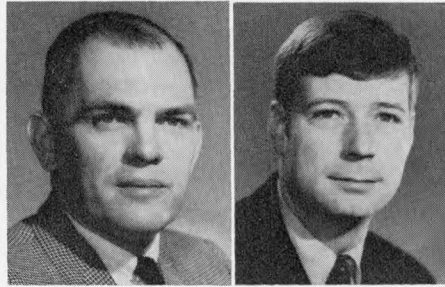
PPROMOTIONS and announcements have been made by the following banks:

Bank of New York, New York: Robert N. Kay and Jerry O'Brien have been elected vice presidents and Carl Laieski has been promoted to investment officer. Mr. Kay and Mr. O'Brien are in the trust department.

Chase Manhattan Bank, New York: Appointments to vice presidents were announced last month for G. Edward Freeman, Jr., Robert H. Riley and Thomas H. Harkins. Mr. Freeman is in the trust department. Mr. Riley is director of market research and central information divisions. Mr. Harkins is manager of the general securities department.

Commerce Trust Company, Kansas City, Mo.: Richard H. Muir, 36, and Robert L. Baker, 28, have been elected assistant vice presidents in the correspondent banking department. Mr. Muir has been assigned to Iowa and Nebraska. Mr. Baker has been assigned to Kansas.

A native of Sioux City, Mr. Muir was assistant cashier at the Security National Bank there before joining



R. H. MUIR

R. L. BAKER

Commerce Trust. He received his B.S. degree from Morningside College in 1957.

Mr. Baker was graduated from Kansas State University in 1961, then worked at Commercial National Bank at Kansas City, Kan., and Union National Bank, Manhattan, Kan., before joining Commerce Trust.

Continental Illinois National Bank & Trust, Chicago: Three officers retired last month after serving more than 40 years each in commercial and trust banking.

Burnell G. Kern, assistant cashier, and Oran J. Radford, second vice president, served 48 and 44 years, respectively, in Continental's commercial department. Alfred F. Huels, assistant secretary, completed 44 years in the trust and operating departments.

Drovers National Bank, Chicago: Orvin E. Nelsen has been promoted to vice president, it was announced by Board Chairman William C. Cummings and President Robert Lough. Mr. Nelson began his career with



O. E. NELSEN

L. E. MAKOBEN

Drovers in 1941. He has served as an assistant vice president since 1966.

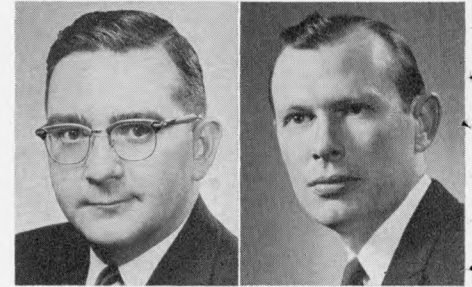
Promoted to assistant cashiers were Larry E. Makoben, Frank C. Mulch and Michael D. Wozek. Mr. Makoben, of Bettendorf, Iowa, will continue to serve in the correspondent bank division where he is well-known to many Iowa and Illinois bankers. He was cashier of Bettendorf Bank and Trust Company before joining Drovers in April, 1968. He is a native of Durant, Iowa.

Mr. Mulch joined Drovers in 1964

and will continue in the installment lending division. Mr. Wozek started with Drovers in 1955. He will continue in operations work.

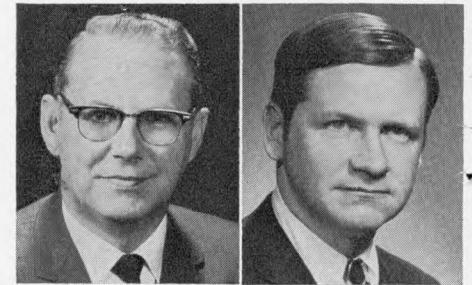
First National Bank, Chicago: The following promotions were announced by the board of directors last month:

Marion C. English to vice president and general auditor, W. Gale High to vice president and deputy comptroller, Roy E. Johnson to vice president in the comptroller's division, William H. E. Voss to vice president and auditor in the auditing division.



M. C. ENGLISH

W. G. HIGH



A. E. LANGENBACH

J. H. LEONARD

Jay L. Doty to vice president in Division "A," William J. McDonough to vice president in the international section, George S. Robinson to vice president in the information systems group.

Alfred E. Langenbach, vice president, from personnel to a new position in the administrative department staff as assistant to Robert K. Wilmouth, senior vice president, administration.

James H. Leonard, vice president, to succeed Mr. Langenbach as head of the personnel division.

First National City Bank, New York: James F. Marx and John M. Walbridge were elected vice presidents last month in the corporate banking group. Mr. Marx is a unit head in the petroleum department, while Mr. Walbridge is a unit head in the consumer durables department.

LaSalle National Bank, Chicago: Milton F. Darr, Jr., chairman, and Frank G. Price, president, announced last month the following official changes:

Delmar R. Beaumont, formerly vice president, to senior vice president and



*Council
Membership
gives you
a continuing,
practical
Trust Investment
Education!*

WRITE FOR DETAILS

**STUDLEY, SHUPERT
TRUST INVESTMENT COUNCIL**

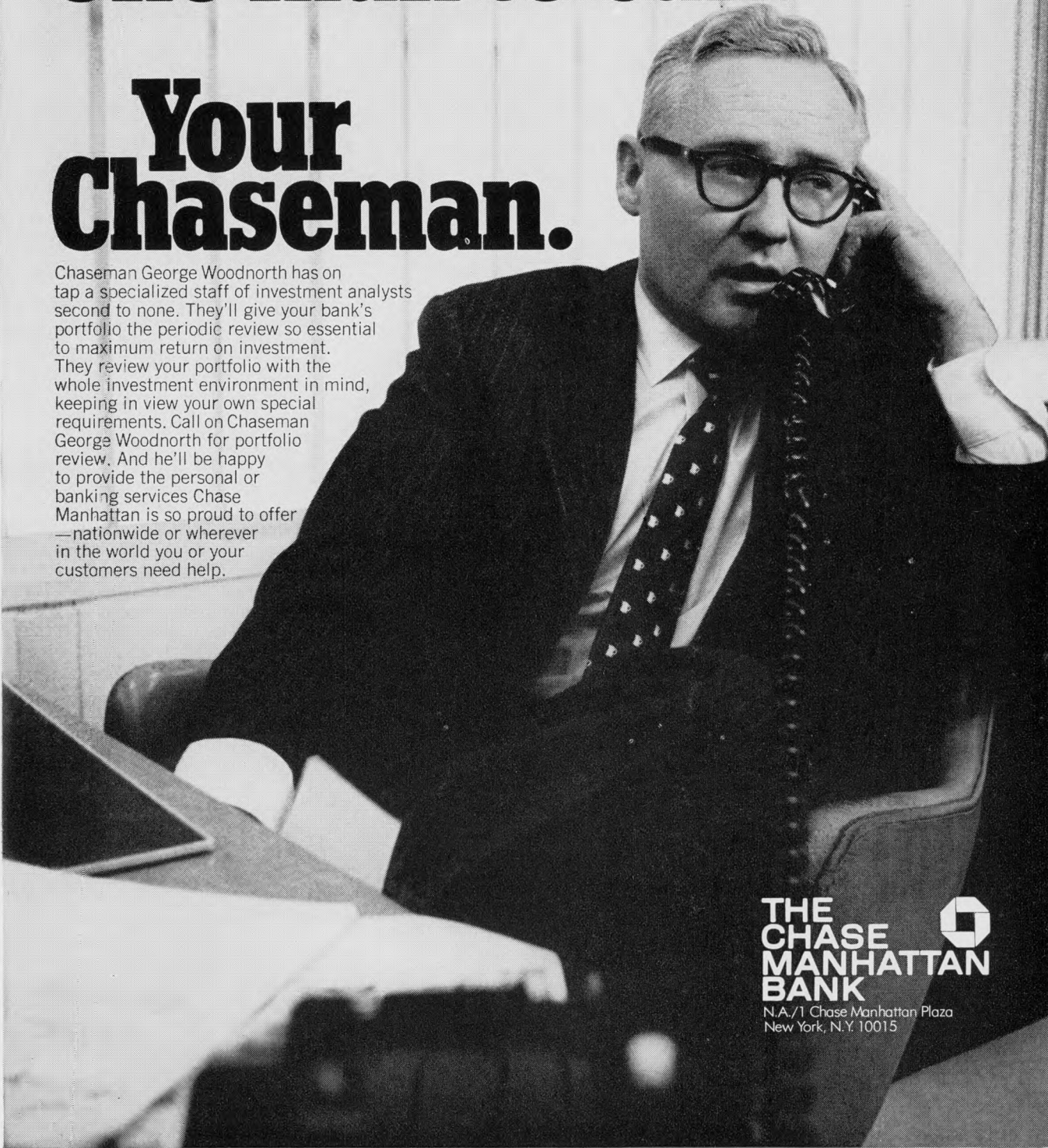
860 Suburban Station Building
Philadelphia, Pa. 19103

Northwestern Banker, June, 1969

Portfolio review? There's just one man to call.

Your Chaseman.

Chaseman George Woodnorth has on tap a specialized staff of investment analysts second to none. They'll give your bank's portfolio the periodic review so essential to maximum return on investment. They review your portfolio with the whole investment environment in mind, keeping in view your own special requirements. Call on Chaseman George Woodnorth for portfolio review. And he'll be happy to provide the personal or banking services Chase Manhattan is so proud to offer — nationwide or wherever in the world you or your customers need help.



**THE
CHASE
MANHATTAN
BANK**



N.A./1 Chase Manhattan Plaza
New York, N.Y. 10015

Close doesn't count in our portfolio management.

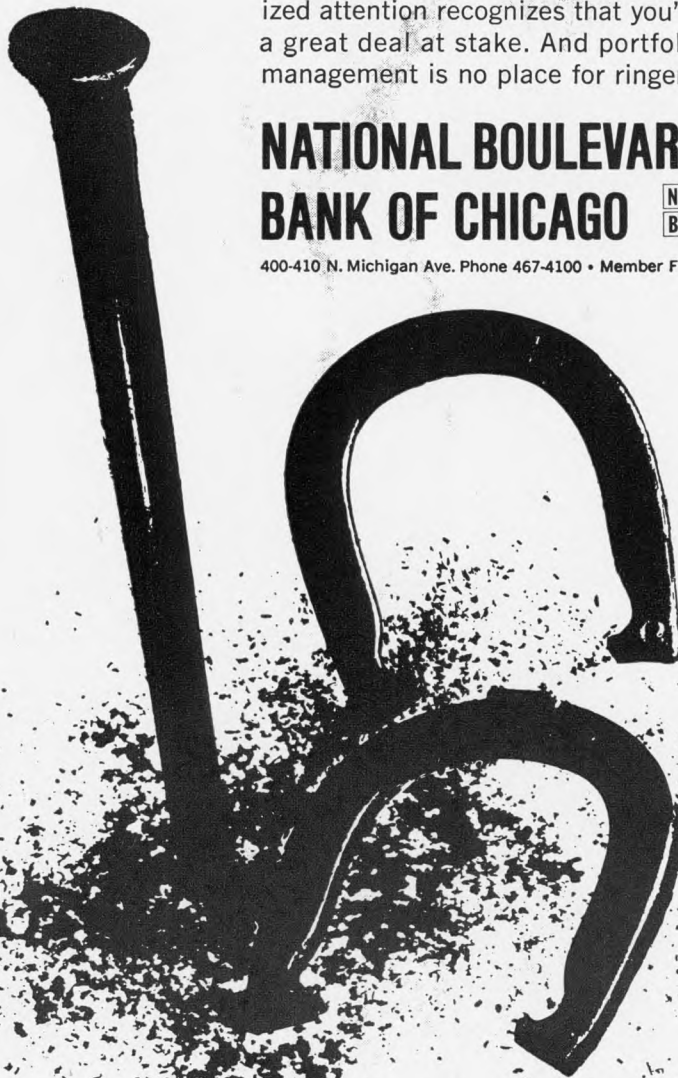
In fact, our analysts' recommendations have to be more than *right*; they have to be right for *you*. So we make an in-depth study of your investment portfolio before suggesting specific bonds. That way we can tailor our advice to your needs and strengthen your entire investment program.

If we settled for "close" in our work, we wouldn't have results like the 46.3% net earnings increase one correspondent bank enjoyed the initial year after our study. And as for National Boulevard's own performance in the bond market, we've averaged an eye-opening 4.74% pre-tax investment return over the past nine years, and no security losses.

Get the full pitch on our investment portfolio analysis services with a phone call to Charlie Schoeneberger. You'll see that our kind of individualized attention recognizes that you've a great deal at stake. And portfolio management is no place for ringers.

NATIONAL BOULEVARD BANK OF CHICAGO

400-410 N. Michigan Ave. Phone 467-4100 • Member FDIC



continuing as manager of the real estate loan department.

Lewis G. Hanson, Jr., to vice president and John E. MacArthur to assistant vice president, both in the correspondent banking division.



D. R. BEAUMONT

John L. Woodworth, metropolitan division, and William F. Hoffman, Jr., marketing, research and development group, both to assistant vice presidents.

George T. Necas to trust tax officer.



L. C. HANSON, JR.



J. E. MacARTHUR

Mr. Hanson, who has been with the correspondent banking division since 1959 and is La Salle's correspondent representative in Chicago and the metropolitan area, will assist in serving banks in the state of Wisconsin.

Mr. MacArthur has been associated with the bank for 10 years, serving in all departments of the bank, with five years as a lending officer. He attended Purdue University and is a graduate of the American Institute of Banking. Mr. MacArthur is La Salle's correspondent representative in the state of Indiana, southwest Michigan and eastern Illinois.

Morgan Guaranty Trust Company, New York: George E. Cruikshank has been appointed a vice president and has been assigned to the economist's department. He was formerly a general editor of *U. S. News & World Report*.

National Boulevard Bank of Chicago: Five promotions have been announced following a board of directors meeting.



J. W. BEUTEL

James W. Beutel, manager of the bank's computer center, was elected an assistant vice president.

Elected assistant cashiers were: Louis E. Avery

and William A. Mulvihill, counter operations, and Richard T. Schroeder, commercial department.

Edward G. Griffiths was elected an electronic services officer.

Security Pacific National Bank, Los Angeles: Frank V. Cahouet, vice president, has been assigned to the bank's international banking department, head office. He will work with R. J. Flamson, III, vice president in charge of international banking in coordinating the establishment of a Security Pacific branch in London, England.

Also in the international banking department, Francis G. Martin was elected assistant vice president, head office.

William G. Moore and James D. Vickerman were elected assistant vice presidents in branch operations.

Union Bank, Los Angeles: William R. Howell has been elected executive vice president and Samuel B. Stare has been promoted to senior vice president.

CONVENTIONS

June 9-11—Minnesota Bankers Assn., 79th Annual Convention, Hilton Hotel, St. Paul.

June 10-13—Charge Account Bankers Assn., 16th Annual Convention, Century Plaza Hotel, Los Angeles.

June 11-12—National Assn. of Bank Women, Inc., Rocky Mountains, Western Regional Conference, Frontier Hotel, Las Vegas.

June 12-14—Wyoming Bankers Assn., 61st Annual Convention, Jackson Lake Lodge, Moran.

June 19-21—Montana Bankers Assn., 66th Annual Convention, Jackson Lake Lodge, Moran.

September 10-11—Iowa Group Meeting, National Association of Bank Women, Roosevelt Hotel, Cedar Rapids.

Sept. 21-25—National Assn. of Bank Women, Inc., 47th Annual Convention, St. Francis Hotel, San Francisco.

Sept. 28 - Oct. 1—American Bankers Association, 95th Annual Convention, Honolulu.

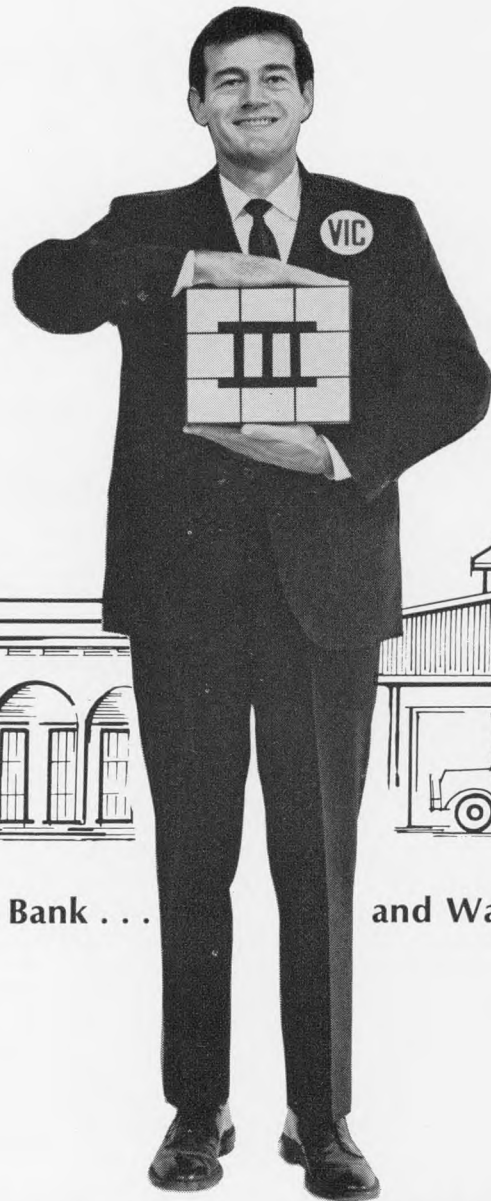
Oct. 19-22—Iowa Bankers Association, 83rd Annual Convention, Hotel Fort Des Moines, Des Moines.

Oct. 25-29—Robert Morris Associates, 55th Annual Fall Conference, San Juan, Puerto Rico.

Oct. 26-29—Bank Administration Institute, 45th Annual Convention, Sheraton Cleveland Hotel, Cleveland.

Nov. 2-7—Bank PRMA, 54th Annual Convention, Americana Hotel, Bal Harbour, Fla.

Nov. 16-18—ABA 18th National Ag Credit Conference, Hotel Fort Des Moines, Des Moines.



Between Bank . . .

and Warehouse

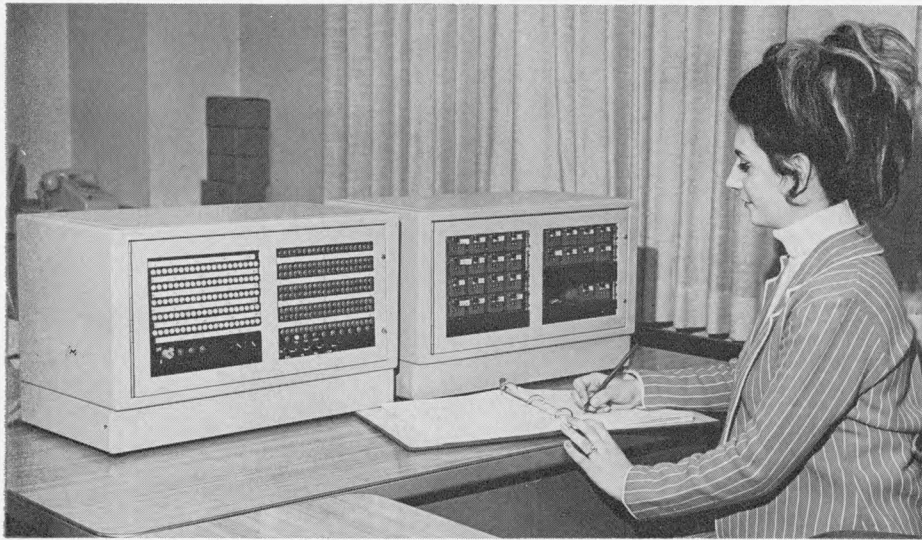
VIC cuts Red Tape with Plan III

The security specialists, Douglas-Guardian, have cut red tape on inventory loans under the Uniform Commercial Code with a new VIC system. VIC is Douglas-Guardian's exclusive method of **Verified Inventory Control**, a time- and cost-saver for years. Now VIC can offer PLAN III which perfects security on warehoused inventory minus the tedium of signs, stack cards, leases, mortgages, waivers and subordinations. **VIC's PLAN III** is simplified and direct. Get the details today. Call or write:



DOUGLAS-GUARDIAN WAREHOUSE CORP.

P. O. Box 52978, New Orleans, La. 70150 • Phone 504-523-5353
Offices in 15 Principal Cities



THESE UNITS automatically route incoming calls for credit cards in connection with Continental Bank's Town & Country Charge Card service for merchants.

Charge Card Authorization Requests Handled Automatically

IF CHICAGO-AREA merchants are getting over-the-floor-limit charge card purchases approved even faster these days at Town & Country Charge, it's because their calls are being processed automatically.

Two suitcase-sized electronic units on one desk have replaced a large-manual telephone switchboard in the Town & Country Charge authorization center at Continental Illinois National Bank and Trust Company. The units form a new call distributor sys-

tem which automatically routes calls from merchants checking a cardholder's credit to telephone positions in the center.

The system was designed jointly by Town & Country Charge and Illinois Bell Telephone Company.

One unit, the distributor, determines which line or lines have been open the longest and sends new calls to them. It also holds, by use of a pre-recorded message, up to six calls at once on one line if all lines are busy at peak hours.

The other unit keeps a record of all calls at each telephone position and adds a cumulative total for the day, permitting easy evaluation of employee performance and call volume.

Lights on the main unit indicate the activity at each position, enabling supervisors to monitor and control the system, answer calls themselves if necessary and check the quality of each operator's performance.

The units are the latest improvements in MIRA (Merchants Instant Response Authorization) a computerized on-line credit authorization system. MIRA consists of a series of telephone positions equipped with visual display units and typewriter-style keyboards linked to a computer, which has information on all charge-card accounts.

Merchant calls previously took about 40 seconds to complete through the manual switchboard. The distributor reduces that time by about 25 per cent, Town & Country Charge officials said.

The new units also speed up out-of-town calls from merchants for Town & Country cardholders making purchases elsewhere under the cooperative Interbank network, in which Town & Country and Midwest Bank Card participate. These calls now take two to three minutes to complete, compared to four to seven minutes previously.

Corporate News

CORPORATE promotions and announcements of special interest to readers of the *NORTHWESTERN BANKER* include the following:

American Express, New York: J. R. Cullen has been appointed vice president-finance of AM-EX Express Reservation Services, Inc., a wholly-owned subsidiary. He will be headquartered at the subsidiary's computer center in Memphis, Tenn.

Bank Building & Equipment Corporation, St. Louis: L. J. Orabka, chairman, has announced his retirement as an officer effective June 1. He will



L. J. ORABKA

maintain an office at company headquarters in his capacity as board chairman and chairman of the executive committee. He will also be a consultant to the firm's long-range planning committee. Mr. Orabka joined the company in 1914, one year after its founding. He became vice president in 1937, executive vice president in 1943, and was advanced to the presidency in 1960 following the death of Joseph B. Gander, founder of the company. He served as chairman since May, 1964.

Carobus & Fredericks, Inc.: A Des Moines office has been opened at 1100 Keosauqua and will be under the supervision of Southard P. (Bud) Whit-



S. P. WHITING

ing, who has been appointed a vice president. The Chicago-based advertising agency specializes in comprehensive marketing services for financial institutions.

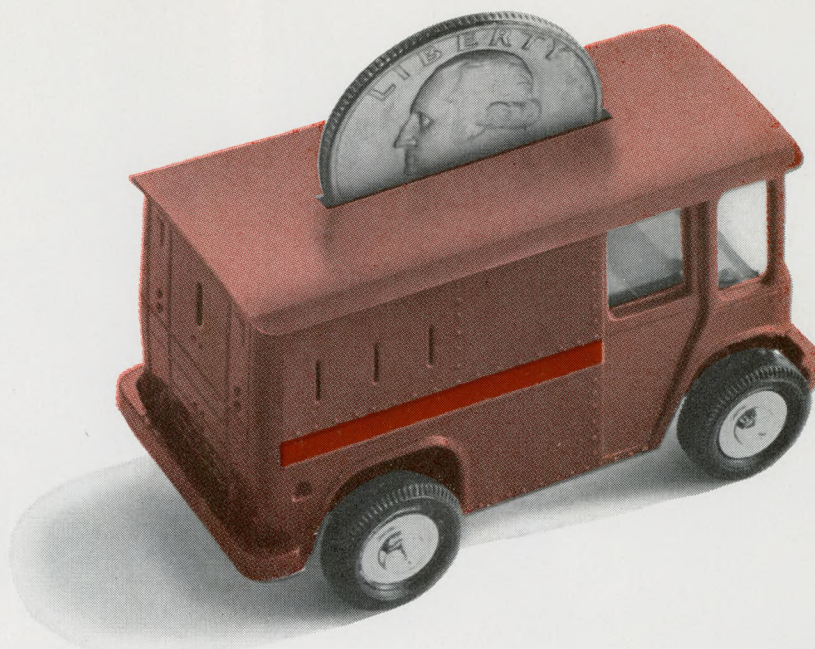
The announcement was made by C. Thomas

Imaginative
correspondent
banking

**FRANKLIN
NATIONAL BANK**

NATIONAL DIVISION
410 MADISON AVENUE at 48th St.
New York, N. Y. 10017

Member F.D.I.C.



THE LAWRENCE SYSTEM IS MONEY IN YOUR BANK

How? In just this way!

For years lenders have shied away from making many types of inventory and accounts receivable loans, despite high yields, because of undue risks.

The yields are still there. *And Lawrence has removed the risks.*


Our multiple collateral control services designed for use singly, or in combination, enable the lender now to grant such loans absolutely confident that no loss will occur due to the disappearance of the collateral.

Among these services are:

- Field Warehousing
- Certified Accounts Receivable Service
- Certified Inventory Control
- Secured Distribution®
- Document Control Service
- Inventory Control Service

So when considering a collateral loan application, call Lawrence! It can mean money in your bank.

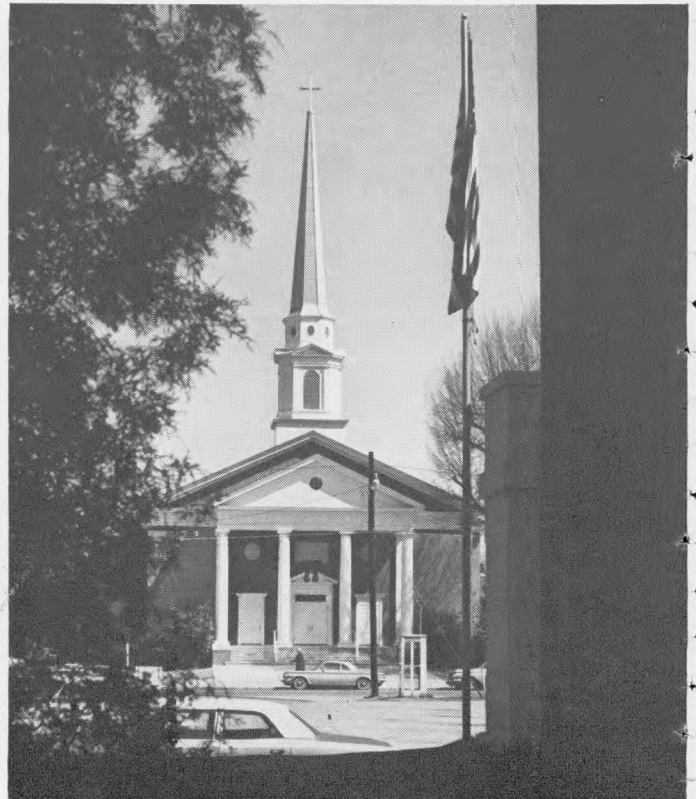
Lawrence Warehouse Company

CERTIFIED COLLATERAL CONTROL SERVICES 
NATIONWIDE FIELD WAREHOUSING SINCE 1913

37 Drumm Street, SAN FRANCISCO
122 East 42nd Street, NEW YORK • 100 North La Salle Street, CHICAGO
OFFICES IN PRINCIPAL CITIES

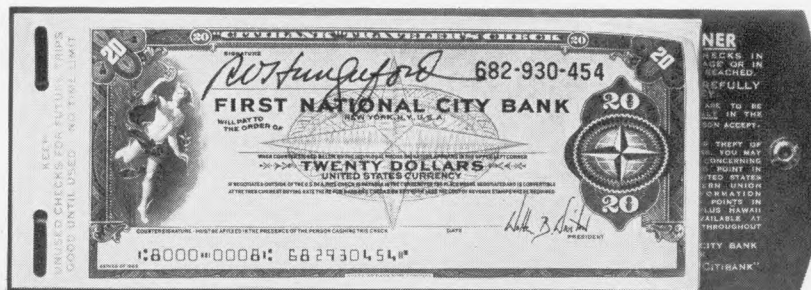


Florence, Italy
on-the-spot refunds in 8 places...



Florence, Alabama
on-the-spot refunds in 5 places.

The Everywhere



WORLD'S BIGGEST SELLING BANK CHECK FIRST NATIONAL CITY BANK, N.Y. MEMBER F. D. I. C.

Worldwide, only First National City Travelers Checks has over 28,000 on-the-spot refund points. No other travelers check comes near this figure. Check the box at the right to see the thousands more locations all around the world where your customers can get refunds fast.

They're more profitable to you because of our generous commission schedule. You keep 100% of the commission on all sales from \$10 to \$50. And 90% on all sales over \$50.

First National City Travelers Checks are presold at home and abroad with a powerful consumer advertising campaign that tells millions of travelers their many advantages. You also get hard selling point-of-sale posters and materials that promote First National City Travelers Checks in your bank—plus promotional aids that sell your other services. All free of charge.

Acceptability? First National City Travelers Checks are issued by the leader in worldwide banking. So, they're known and welcomed everywhere your customers go—in more than a million places around the globe!

They're available to you in the widest range of denominations. And, if you wish, pre-packaged checks are available in both "five packs" and "ten packs."

Available everywhere. Acceptable everywhere. Refundable everywhere...The Everywhere Check. When we say First National City Travelers Checks offer your customers the best travelers check service in the world—we mean it!

If you're not already selling our travelers checks, phone collect to: Mr. Irving Johnson, First National City Travelers Checks, New York City. The number to call is: (212) 559-4961.



Melbourne, Australia
on-the-spot refunds in 18 places...



Melbourne, Florida
on-the-spot refunds in 3 places.

Check

Worldwide Refund System: Your customers can get refunds fast and in more places than with any other travelers check. To show our complete coverage, at right are listed the number of our on-the-spot refund points by major geographical area.

North America	14,013
South America	1,700
Central America & Caribbean	1,545
Europe	7,230
Asia	2,100
Africa	1,100
Australia & New Zealand	1,160
	<u>28,848</u>

First National City Travelers Checks

Fredericks, president, and George H. Dempsey, executive vice president.

They also announced the appointment of Edward L. Hammerman as an account executive at Chicago headquarters.

Mr. Whiting is a Des Moines native and was previously an account executive of the First Financial Marketing Group, providing promotional materials for banks. He will concentrate on serving financial institutions in Iowa, Nebraska, Minnesota and Missouri.

Mr. Fredericks said his firm is extending the experience it has gained from serving 35 Chicago area financial institutions to banks in other states, and combining this experience with the extensive graphic arts services available in Chicago that are difficult to obtain elsewhere.

Commuter Airlines, Chicago: Rollison H. Baxter was elected president, Lamont B. Ririe was elected vice president and treasurer and C. John Steinhauer was named assistant secretary by the board of directors. Mr. Baxter had been senior vice president and has been serving since February as chief executive officer.

Dial Finance Company, Des Moines: First quarter earnings of \$768,132 were slightly ahead of the \$761,723 posted for the same period in 1968. Notes and contracts receivable totaled \$224,688,911, an increase of 16.3 per cent.

Diebold, Inc., Canton, Ohio—Austin T. Fragomen, 50, has joined the corpo-

rate staff as special assistant to the president and a corporate vice president. Since 1942 he has been with The Babcock & Wilcox Company, serving since 1963 as vice president-manufacturing, power generation division.

First Mid America Incorporated, Lincoln, Nebr.: A branch office has been opened in Kansas City, Mo., at 787 TenMain Center. Representing the firm there are George Ashby and Lloyd Mayer, formerly with Paine, Webber, Jackson and Curtis, and B. C. Christopher.

First Mid America has headquarters in Lincoln and Omaha and has other offices throughout Nebraska and Iowa. It is a member of the New York Stock Exchange.

Walter E. Heller & Company, Chicago: Hyman G. Kanes has been elected a director to fill the vacancy created by the sudden death in April of Walter E. Heller, 78, founder of the firm. Mr. Heller died just one week before the annual meeting. Mr. Kanes is president of National Acceptance Company of America, a wholly-owned subsidiary of Heller.



H. G. KANES

Norman R. Schreiber, president and chief executive officer, paid

tribute to Mr. Heller at the annual meeting. In his report to shareholders, Mr. Schreiber said that based upon first quarter and 12-month indicators, the company is headed for its seventh consecutive year of record volume and profits. Heller presently has \$200 million in commercial paper outstanding, which is 101.7 per cent covered by unused bank lines.

Morris Plan Company of Iowa, Cedar Rapids: Stockholders of The Morris Plan of Eau Claire, Wis., and Gray Street Leasing Companies, Eau Claire, have agreed in principle to a merger into Morris Plan Company of Iowa, a diversified financial holding company. There will be no change in personnel or policies. The merger was effective May 1.

William McIntyre and Randall Bezanson of Eau Claire will continue to be chairman and president as well as directors of the Eau Claire corporation. In addition, Peter F. Bezanson, president, and Robert E. Johnson, executive vice president of The Morris Plan Company of Iowa, will become members of the Eau Claire board. Gray Street Leasing will become a part of The Morris Plan Leasing Company with combined leases outstanding of \$5 million.

The Morris Plan of Iowa has total footings in excess of \$60 million. The diversification includes Jackson State Bank and Trust Company, Maquoketa, Iowa, 15 direct loan offices in Iowa, a

Dain, Kalman & Quail knows some smart cookies



We think we have a successful recipe for producing investment research reports on national, publicly-held firms based in this region . . . like Pillsbury, Dayton's, H. B. Fuller Company and over 60 others. (And if you're interested in mutual funds, you'll find us well-equipped to help you make a selection that's based on a careful analysis of your individual investment goals.) Write or call for our free research report on Pillsbury.

*Investment Banking / Municipal Bonds /
Investment Management / Mutual Funds /
Listed and Unlisted Securities.*

An Equal Opportunity Employer

DAIN, KALMAN & QUAIL
INCORPORATED

Investment Research With a Regional Accent
Member New York Stock Exchange/100 Dain Tower, Mpls.

For farm lending institutions:

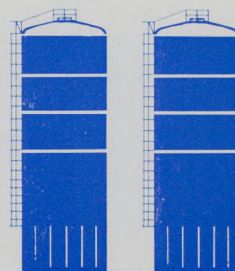
AgriStor

announces

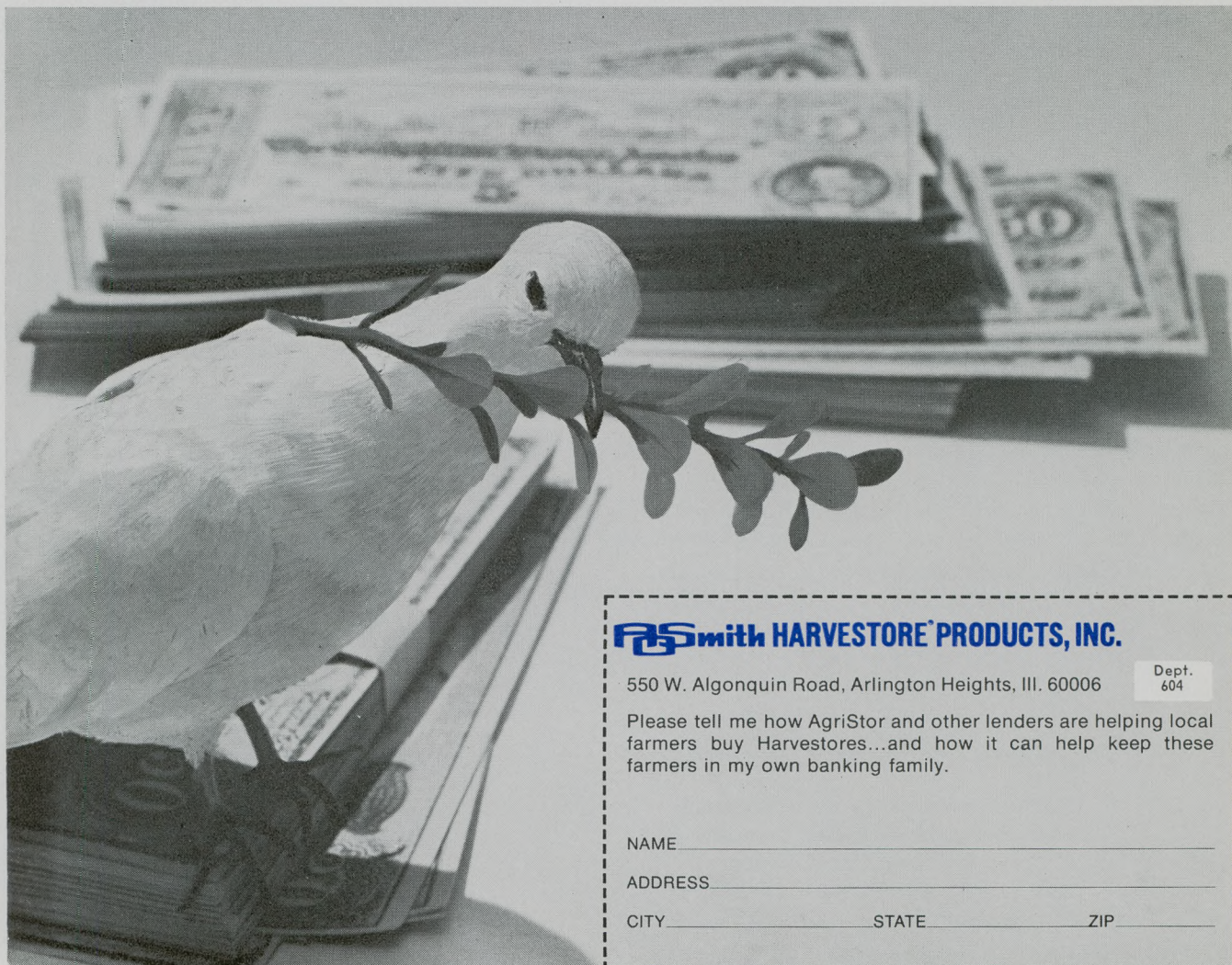
the non-competitive loan

AgriStor Credit Corporation is A. O. Smith's non-competitive loan program. It helps farmers get started on a profit-building Harvestore feed processing system when local lending limits or other complications temporarily stand in the way. Which means AgriStor doesn't compete with banks or local credit agencies. Because Agri-Stor loans are designed to come back home to roost. Agri-Stor merely takes the slow turn on the contract. As the contract is paid down, local lenders are encouraged to refinance the

balance. No penalty for prepayment. No hidden fees. Simple interest equivalent is used to determine the remaining amount a customer owes. And the Harvestore system is AgriStor's sole collateral. This shows A. O. Smith's faith in its Harvestore system. And AgriStor does not disturb the farmer's resources pledged to you on other loans. A Harvestore Feed Processing System can help farmers reduce feed costs. It also provides greater flexibility in cropping and harvesting. For more information, write today.



HARVESTORE® multiplies manpower and landpower



ASmith HARVESTORE® PRODUCTS, INC.

550 W. Algonquin Road, Arlington Heights, Ill. 60006

Dept.
604

Please tell me how AgriStor and other lenders are helping local farmers buy Harvestores...and how it can help keep these farmers in my own banking family.

NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____



STEER YOUR CUSTOMERS TO THE LEADER IN WORKMEN'S COMPENSATION

Employers Mutual was founded in 1911 to write Workmen's Compensation. From this start, Employers Mutual has expanded its coverages to include complete protection for every commercial or personal need.

But throughout its steady growth, Employers Mutual has remained the leader in Workmen's Compensation.

When your customers inquire about Workmen's Compensation, steer them to the most experienced company—Employers Mutual.

*Represented by 4000 Independent Agents
Throughout The United States and Canada*



Employers Mutual Companies

Employers Mutual Casualty Company
Employers Modern Life Company
Emcasco Insurance Company
Des Moines

Union Mutual Insurance Company
Providence

Small Business Investment Company operating in a five-state midwestern area, and Morris Plan Leasing.

Newton Manufacturing Company, Newton, Iowa: Ray G. Johnston, vice president, Central National Bank & Trust Company, Des Moines, was elected a director of the company last month. The firm, a distributor of advertising specialties and executive gifts, had sales ending March 31 that were \$1 million higher for the fiscal year than the preceding year. April sales were up 14 per cent. The board declared a dividend of \$60 per share, \$10 per share more than one year ago.

North Central Life Insurance Company, St. Paul, Minn.: Norman L. Ahles has been appointed financial agency supervisor for the northern Wisconsin area. He will be representing creditor insurance products marketed under North Central's red shield to financial institutions.

It was also announced that Darrell E. Bergh and Tom Walsh have joined North Central's BOMA (Bank-O-Medic America) sales staff. Mr. Bergh will represent BOMA's life and health sales in northwestern Minnesota. Mr. Walsh serves financial institutions in the Chippewa Falls, Wis., area.

Ozark Airlines, St. Louis: Authority has been received from the Civil Aeronautics Board to serve Dallas/Fort Worth, Tex., nonstop from Tulsa, Okla., according to Thomas L. Grace, president. Ozark recently also acquired authority to serve Dallas/Fort Worth nonstop from St. Louis. Inaugural date has not yet been established.

Scarborough & Company, Chicago: Appointments of three men as vice presidents have been announced by Richard G. Ross, president. They are:



N. CLARK

Norman Clark, vice president, operations.

Arnold A. Knebel, vice president, administration.

J. Richard Morran, vice president, underwriting.

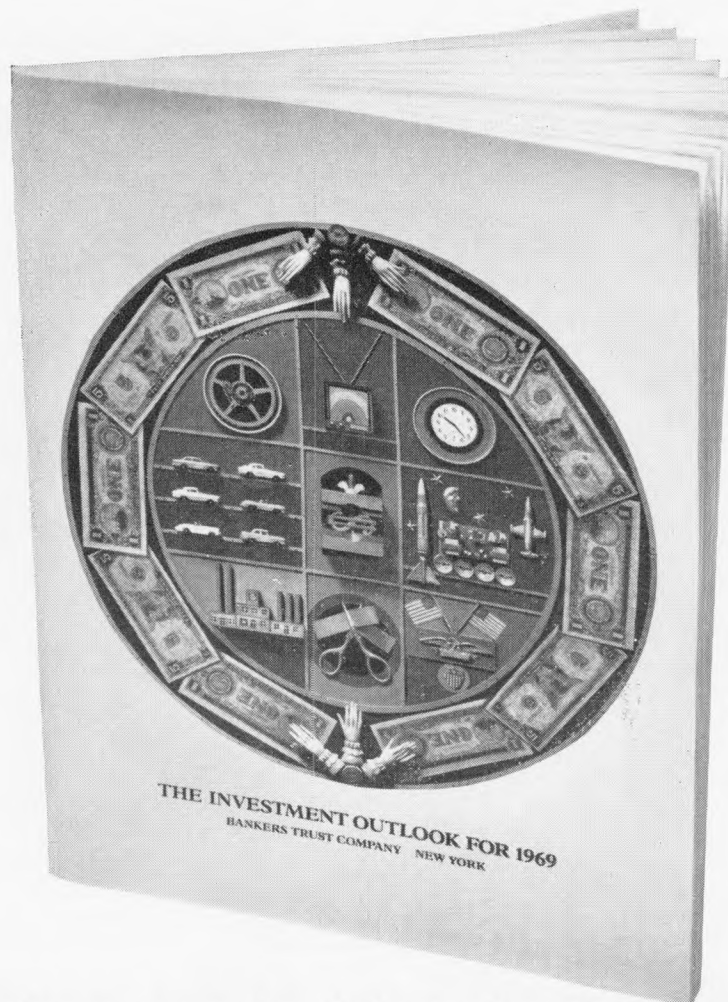
Mr. Clark has been with Scar-



A. A. KNEBEL



J. R. MORRAN



Before you decide to lend, borrow, invest, divest, merge, lease, or whatever, you'd better read this book.

Some years ago, the head of our Economics Department became irked by the fact that no single source of information existed on which to base a sound judgment of the credit markets.

Out of this feeling of frustration, *The Investment Outlook* was born.

The Investment Outlook sounds like a stock market tip sheet, but it's not. Essentially, this book traces the flow of funds through the economy, showing how the demand for money is met, and where the money is likely to go.

Statistics on every aspect of the credit market are presented: government securities, mortgage financing, corporate bond and stock issues, and dozens of others.

The text and tables are carefully cross-referenced and presented in

a form clearly understandable by corporate financial officers and investment managers.

Some of these statistics cite what has happened in previous years, thus inviting your own analysis.

Many others are detailed projections of what we feel is likely to happen during the coming year, based on assumptions we make about the economy as a whole.

Our projections are the result of constant sifting of information from a multitude of sources, including a number of seminars to which we invite leading specialists in various investment fields.

Processing the information from these seminars, from our real-time computer, and from other contributors, involves a sizeable investment in a full-time

professional staff.

Part of the return on this investment is the accumulated wisdom which Bankers Trust applies to the money market.

The other part is the satisfaction of knowing that we're performing a valuable service to the business community.

The Investment Outlook has come a long way and is, we believe, more valuable than ever. In 1949, it was the most complete work of its kind.

After twenty years, it still is.

*If you would like to receive a copy of *The Investment Outlook*, please write to Mrs. Sally S. Ronk, Vice President, Bankers Trust Company, Box 318, Church St. Station, N.Y., N.Y. 10015.*



You'll find a banker at Bankers Trust.

Member Federal Deposit Insurance Corporation © Bankers Trust Company

borough 17 years, including three years as vice president, underwriting His newly created position as vice president of operations reflects the continued growth in scope and volume of Scarborough's business.

Mr. Knebel's business career includes accounting and auditing positions with Swift & Company in Toronto and Chicago. He has been controller of Scarborough for five years. He is a graduate of the Northwestern Institute for Management.

Mr. Morran started with Scarborough as an account executive in 1952. He has served as assistant vice president of underwriting since January, 1968.

Scarborough is a 50-year-old organization specializing in insuring risks in the banking field.

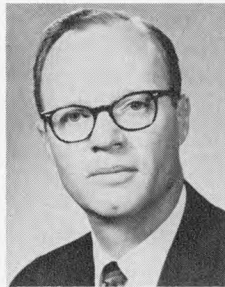
St. Paul Fire and Marine Insurance Company, St. Paul: Waverly G. Smith has been named executive vice president. He has been with the firm since 1949 and was elected vice president in 1968.

Talcott National Corporation, Chicago: Gustave L. Levy and Harry Remis were elected recently to the board of directors. Mr. Levy, who in mid-May left his post as chairman of the Board of Governors of the New York Stock Exchange after a two-year term, is a partner of the investment banking firm of Goldman, Sachs & Company. Mr. Remis is chairman and chief ex-

ecutive officer of Beggs & Cobb, Inc., Boston-headquartered processors of leather and related products, a Talcott subsidiary.

Herbert R. Silverman, Talcott chairman, reported an increase of 24 per cent in earnings for the first quarter of 1969.

Tension Envelope Corporation of Iowa, Des Moines: Phillip A. Goddard has been named vice president and general manager.



P. A. GODDARD

A 1943 graduate of Iowa State University, he joined Tension as a salesman in 1951. He was promoted to sales manager in 1960 and was appointed vice president and sales manager in 1968.

Tension, established in 1923, is Iowa's oldest and largest business envelope manufacturer. Offices are presently at 1912 Grand Avenue in Des Moines, but a new 67,500 square foot office and manufacturing facility is under construction in the Port Des Moines Industrial Park.

World's Fastest Scanner

Bank of America announced it has installed the world's fastest optical page scanning system — capable of

reading a 1,000-page novel in a mere six minutes—at its data center in San Francisco.

The system represents a major technological breakthrough, and can read and prepare information for computer input four times faster than any equipment in existence, said A. R. Zipf, B of A executive vice president.

The bank is using the sophisticated scanner to process the tremendous volume of paperwork generated at its branches. It can read six standard type styles at the phenomenal rate of 14,000 characters per second.

The scanner can finish in 10 seconds the work performed by a key-punch operator in one day.

Control Data Corporation's Rabinow Engineering Division developed the system for Bank of America over a three-year period.

Mr. Zipf said the unprecedented capabilities of the page reader will allow Bank of America to process transaction documents from its 950 California branches with revolutionary speed and efficiency.

The electronic reading machine's 10 rapidly rotating lenses can scan a single-spaced 8½ by 11-inch typewritten page, format the information for a computer, and store it on magnetic tape in two-thirds of a second. It processes new account entries and records changes at rates ranging from 10,000 to 25,000 per hour.

How To LEASE BANK EQUIP- MENT NOW!

Modern businessmen enjoy two solid advantages from Leasing the business equipment they need:

1. Leasing conserves working capital.
2. Leasing leaves existing credit lines intact.

What else can Morris Plan Leasing do for you?

It provides you with **new equipment now**.

Leasing makes so much sense because it's the only way for any company, small or giant, to acquire profit-making equipment without capital strain.

You can lease almost any kind of manufactured equipment. Here's a small sample of the kinds of business equipment we have leased:

Calculators, trucks, desks, typewriters, lathes, copy-machines, welding tools, office furniture, electronics gear, etc.

Find out how Morris Plan Leasing can help your company get what it needs. Call for details on a tailored leasing program.

MORRIS PLAN LEASING

200 American Building, Cedar Rapids
Phone 366-5331

We hire him, train him, pay him...



to work for you

He's a professional—a career man, and he makes The North Central Companies' plans profitable for you. He's an integral part of the completely packaged insurance programs that made our red shield famous.

Today, it is more important than ever before that lending institutions offer their customers broader financial services and facilities to meet growing competition. This is where the comprehensive, up-to-the-minute North Central loan-connected packages can do the job for you—effectively and efficiently.

Creditor Life and Disability, Mortgage Protection, Major Borrower Insurance and a variety of computer-designed Flexible Life policies add immediate and long-range profits to your lending operation. Tailored to suit the specific needs of your market, these plans are installed, administered, promoted and continually up-dated by . . . "the leaders in insurance through lending institutions."

Just drop us a line and we'll be happy to send you the complete details.



Protection all ways

The North Central Companies

North Central Life Insurance Co., St. Paul, Minnesota

Maine Fidelity Life Insurance Co., Portland, Maine

Royal Oak Life Insurance Co., Pittsburgh, Pennsylvania



Northwestern Banker, June, 1969

The customers' and the bank's.

We look at it this way. If people have to get out of their trucks and low-slung foreign cars to do their drive-in banking, they might as well walk into the bank.

That's why we designed our visual remote system differently. Pneu-Vista® makes drive-in banking the snap it's supposed to be.

To begin with, our presentation tray prac-

tically hands you the carrier. No more contortions to go through. No more groping for a carrier you can't even see.

And when your customers get their hands on our carrier, they really have something to grab on to. It's king-size. So big even a passbook doesn't have to be bent to fit.

But why have a remote transaction system in the first place?



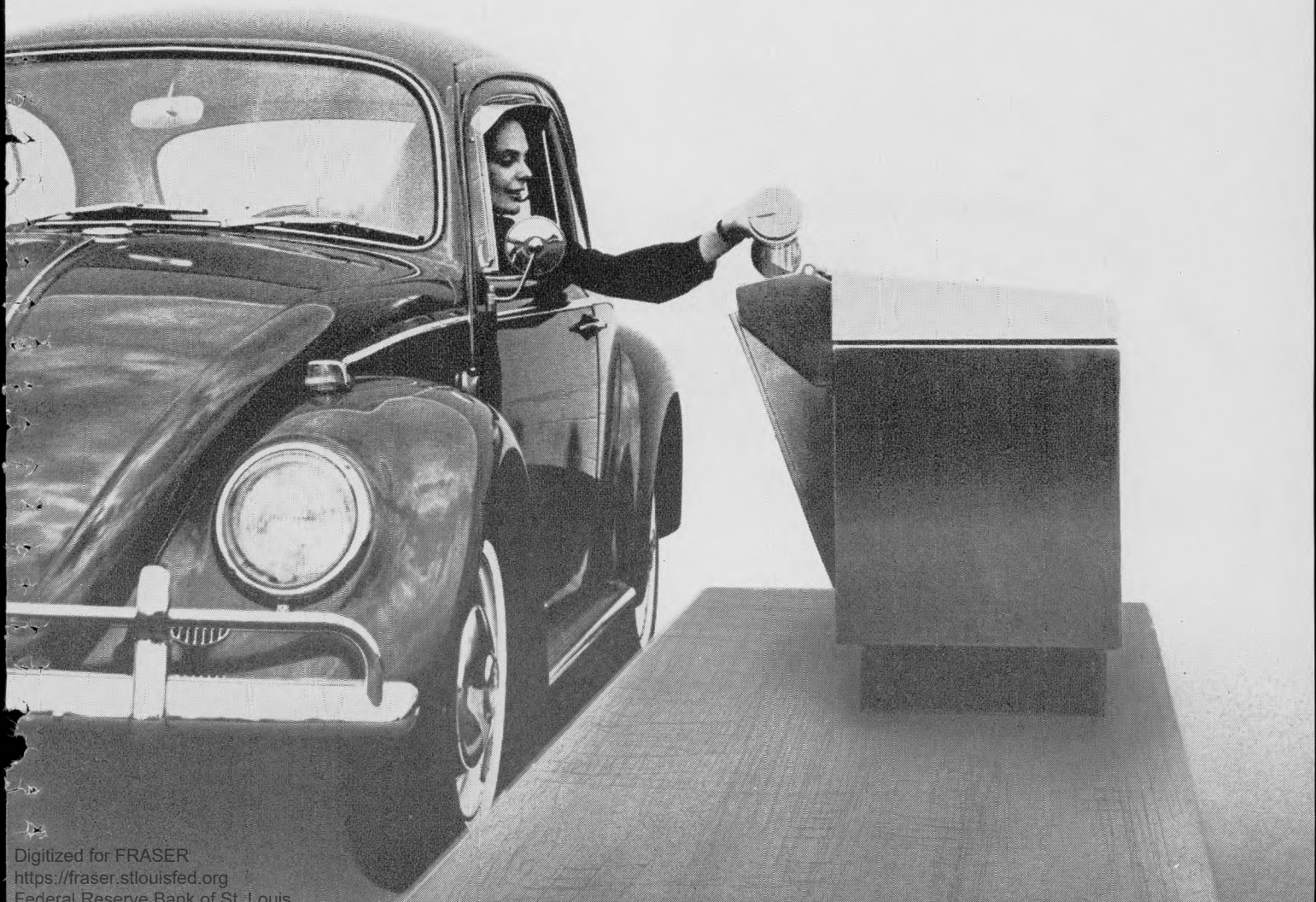
Simply because drive-in banking is meant to be convenient. And it isn't very convenient when your customers wait in line for twenty minutes to make a two minute transaction.

With Pneu-Vista you're able to split long lines of traffic during peak periods. One drive-in teller can handle two customers at once. Two tellers working a double window can serve three or four customers at the same time. (That's our

Multiplex concept. It's been working in our television banking systems for years.)

Whether you'd like to expand your drive-in window facility, or are just starting to think about drive-in banking, look into Pneu-Vista. It's one of the most economical investments your bank can make. Write for full information. Mosler, Hamilton, Ohio 45012. **Mosler**
An American-Standard Company

**We put drive-in banking
within everybody's reach.**



Spectacular Ad Campaign Dramatizes Spectacular Building

WHEN The First National Bank of Chicago opened for business in its spectacular new skyscraper on Monday, May 26, chances were slim that many Chicago readers, listeners, viewers or movers missed the event.

Because apart from the commanding presence of the sweeping 60-story tower now nearing completion at Dearborn, Madison and Clark, one of the broadest, most concentrated advertising campaigns in bank history marked its opening.

The First National schedule called for across-the-board coverage in newspapers, magazines, radio, television and outdoor advertising, beginning in mid-May and running through the May 26 opening into June.

Built around a service theme — (“The new First: helping you is what we’re all about”)—the campaign graphically illustrated the fundamental change which has taken place at First Chicago and in the banking business at large over the past several years.

Television spots showed sweeping panoramic helicopter shots of the towering new building, interspersed with customer service scenes. Together, the skyscraper and service close-ups conveyed the feeling that all that financial might is built on personal service, as indeed it is. The bank serves more personal savings accounts in this one location than any other financial institution on earth.

Built on a scale befitting the world’s greatest personal savings center, the new First’s savings department occupies the entire first floor and will offer a number of new amenities in family banking service.

Two-page spreads or full-page ads in all five of Chicago’s major dailies, plus the Chicago editions of *Life* and *Look*, followed the opening of the new First advertising schedule with a two-page spread in *Chicago Magazine* May 15.

Carrying “the new First” story across the country and in the business community was similar coverage in the midwest edition of the *Wall Street Journal*, the East Central editions of *Time*, *Newsweek* and *U. S. News and World Report*, and national editions of *Fortune* and *Business Week*. Two-page spreads are appearing in leading bank journals across the country.

The major radio-TV buildup began the week before the opening, with 60- and 30-second spots in evening time slots in Chicago’s four network television stations, 60-second spots on AM radio during the morning and evening rush hours, and some FM spots.

More than 260 billboards carried the basic print ad in full color.

At the First’s advertising division, G. Frederick Charlton, vice president, said “completion work on the new building barred any film-making inside, presenting a real creative challenge to the people at Foote, Cone &

Belding. So, for one of our TV commercials, the agency came up with a huge blueprint of the new banking floors—big enough for a pretty First Girl tour guide to walk around on and talk about the new services and facilities being installed. Viewers thus were invited to imagine the finished interior, but only ‘til May 26. Then they were invited to come in and see the real thing.”

Name Scholarship Winners

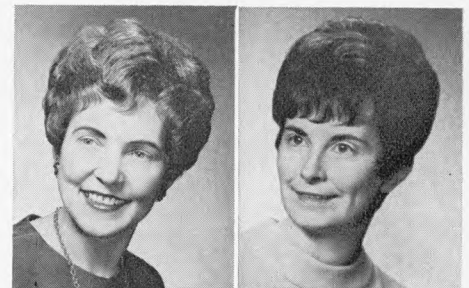
Three members of the National Association of Bank-Women Inc. received scholarships to graduate schools of banking as a highlight of the Tri-Regional Conference of NABW held in Minneapolis, Minn., May 21-23. The scholarship winners were announced at a luncheon session highlighting advanced educational opportunities for women bank officers on the closing day of the Conference.

The winners of the first annual NABW regional scholarships were:

Midwest Region—Mrs. Mary F. Holstad, assistant cashier, Central National Bank, Des Moines, Iowa.



MRS. HOLSTAD



MRS. HART

MISS ANCINEC

Lake Region—Mrs. Lona N. Hart, assistant vice president, Security National Bank of Battle Creek, Mich.

North Central Region—Miss Marie L. Ancinec, assistant cashier, North Side Bank, Racine, Wis.

Mrs. Holstad has had 20 years of banking experience with Central National and has earned her Graduate Certificate from A.I.B., majoring in investments.

Mrs. Hart, a member of Security National’s staff for the past 18 years, is educational director of the Battle Creek Chapter of A.I.B. and former president of the chapter.

Miss Ancinec is in charge of the bookkeeping department of North Side Bank, where she has been employed for 17 years. She has actively participated in A.I.B. and B.A.I. activities and seminars in her area.

you can
rely on us.

Growing Symbol
of Gracious
Hospitality



THE RADISSON
Minneapolis, Minnesota

THE RADISSON DENVER
Denver, Colorado
(formerly the Hyatt House)

THE CORNHUSKER
Lincoln, Nebraska

THE BLACKSTONE
Omaha, Nebraska

THE LASSEN MOTOR HOTEL
Wichita, Kansas

Who says there's a difference in field warehouse service? We do.

IT'S EASY TO SEE WHY LEADING BANKS PREFER NEW YORK TERMINAL FIELD WAREHOUSING AND INVENTORY ACCOUNTING SERVICES:

- Warehouse controls and the issuance of warehouse receipts centered in regional offices strategically located throughout the United States.
- Monthly Stock and Value reports that give an exact accounting of day-to-day inventory activity and permit a precise evaluation of collateral, including aging, at all times.
- Inventories physically checked 10 to 12 times a year and written reports made of findings.
- A unique record of unquestioned Bailment.

IN SUPPLYING THIS EXCEPTIONAL SERVICE WE PROVIDE THE SECURITY NEEDED TO ALLOW YOU MORE FLEXIBILITY IN MAKING INVENTORY LOANS—YET NEW YORK TERMINAL SERVICE COSTS YOUR CUSTOMER NO MORE.

Specify "PROTECTION" insist on



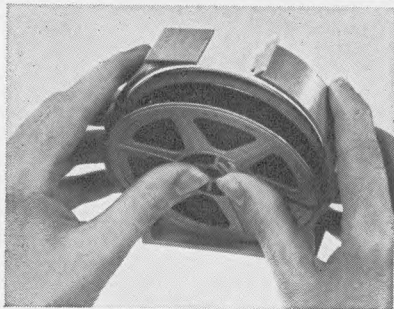
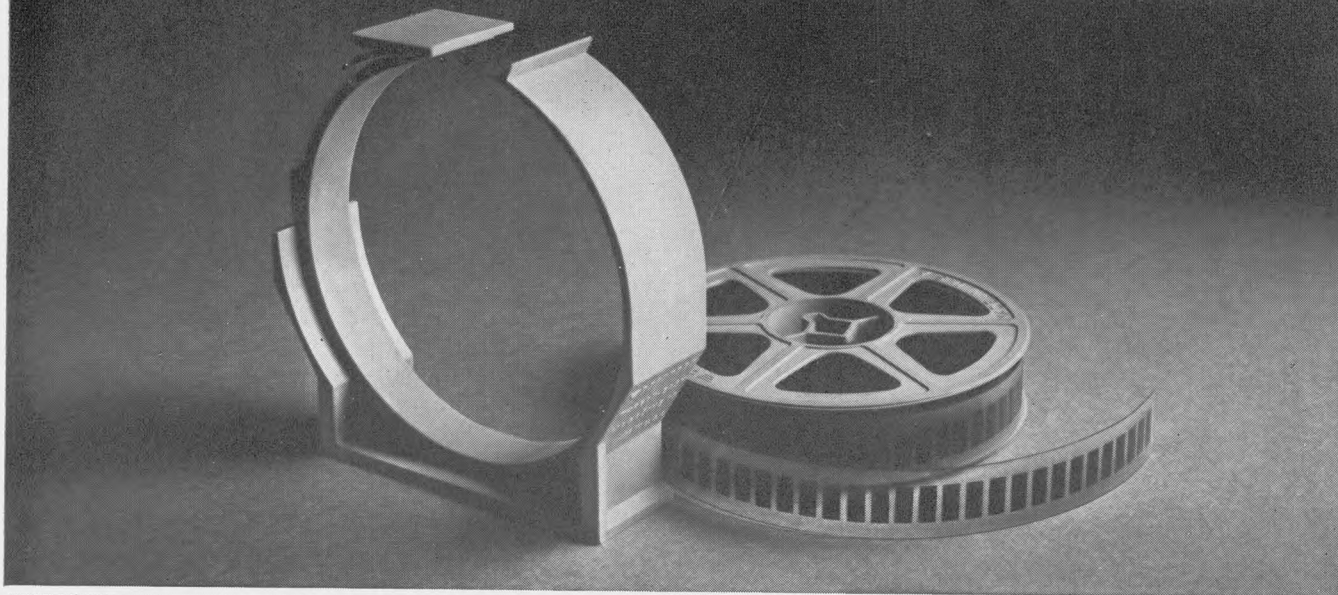
NEW YORK TERMINAL WAREHOUSE COMPANY
25 SOUTH WILLIAM STREET, NEW YORK, N.Y. 10004

O P E R A T I N G O F F I C E S I N P R I N C I P A L C I T I E S

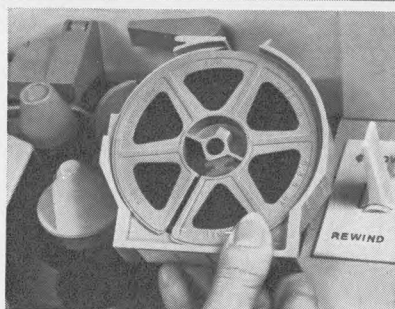
Northwestern Banker, June, 1969

Kodak

Kodak announces The Reel Revolution.



Snap in.



Snap on.

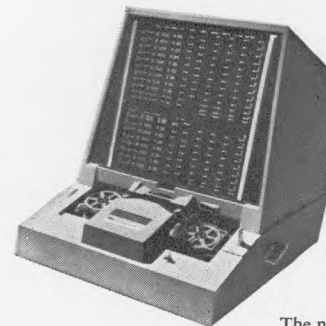
Here's the most exciting news in years for everyone who has microfilm records on reels . . . the instant magazine.

Take any standard Kodak plastic microfilm reel, or its equivalent. Snap it into a new Recordak Thread-Easy magazine . . . and then onto the new Recordak Motormatic reader. Your records are now ready to show. There's no threading of film. No bothering with leaders and trailers.

Besides the advantages of high-speed image retrieval, the Thread-Easy magazine prevents accidental film unwinding, provides space for easy labeling and indexing, and eliminates the need for outer storage cartons.

The Thread-Easy magazine comes in both 16mm and 35mm sizes, and costs about one-third as much as conventional magazines. This makes it economical to convert all of your roll film to a permanent Thread-Easy magazine file . . . and enjoy fully this most advanced concept in reel microfilm handling.

For full details on joining the reel revolution, contact Eastman Kodak Company, Business Systems Markets Division, Dept. O-6, Rochester, N. Y. 14650.



The new Recordak Motormatic reader—especially designed to accommodate the revolutionary Thread-Easy magazine.

RECORDAK Microfilm Systems by Kodak
©Recordak is the registered trademark for microfilm equipment designed and produced by Kodak.

Northwestern Banker, June, 1969

■ "Basic Concepts in Bank Management" was the subject of a thought-provoking talk delivered before the 72nd annual convention of the Nebraska Bankers Association in Omaha last month by Allen P. Stults, president of the American National Bank and Trust Company of Chicago.

Following his interesting presentation at the convention, Mr. Stults was interviewed by the NORTHWESTERN BANKER and this article is a condensation of his platform remarks woven in with his interview comments.

He made only brief references in his formal presentation to the written creed governing his bank's conduct of business, and permission was granted by him later to print it with this story when the editor suggested other banks might wish to examine it as a possible guideline for taking similar action in their own banks.

WHEN we discuss a subject such as "Basic Concepts in Bank Management," we should define our terms, and I would offer this definition of management: "The judicious use of a company's resources to obtain a maximum profit."

In some industries a company's resources include large investments in tools, equipment, and other fixed assets. Investments of \$50,000 to \$150,000 per employe, for example, are common among electric utilities and mining, petroleum, and tobacco processing companies.

In banking our resources are people and the challenge to bank management is to employ and deploy them to maximize their effectiveness.

Criteria for Analysis

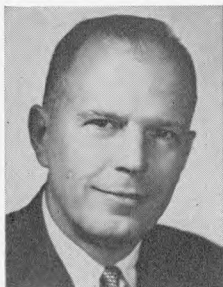
An in-depth analysis of 100 of the largest commercial banks in the United States was prepared for the Association of Reserve City Bankers by McKinsey & Company, Inc. Performance of the 100 was analyzed for the period 1962-66 on the basis of three criteria:

1. Average annual growth rate of net operating earnings per share. Among the 100 banks there was a 100 per cent differential between the highest and lowest.
2. Net operating earnings as a percentage of total assets at year end. The spread from high to low for this criterion was .49 ($\frac{1}{2}$ of 1 per cent) to 1.27 per cent, a differential of almost 200 per cent.
3. Net operating earnings as a percentage of capital, surplus, and undivided profits. Here, the differential was 100 per cent again, ranging from 7.8 to 15.5 per cent.

A fourth criterion—the ratio of capital funds to deposits—was used as a check on the other three criteria. The spread again showed a range from 6 to 15 per cent.

The finding of the analysis was that

Basic Concepts in Bank Management



By ALLEN P. STULTS
President

American National Bank
and Trust Company
Chicago, Illinois

those banks performing well by every criteria were the ones whose managements are highly regarded and who have studied and implemented new organization practices and concepts. These concepts group themselves in three areas.

The first of these is in the area of planning. After taking an inventory of strengths and weaknesses, objectives and target dates are set. Periodically, an evaluation is made and the results compared against the planned objectives.

The second concept involves organization structures. Stated briefly, the bank is organized around the businesses and/or markets which comprise its natural profit centers. There follows the combination of administration and operating functions for each market group under its manager.

Development of manpower resources is the third concept. This includes the upgrading of recruitment

BANK MANAGEMENT . . .

(Turn to page 44, please)

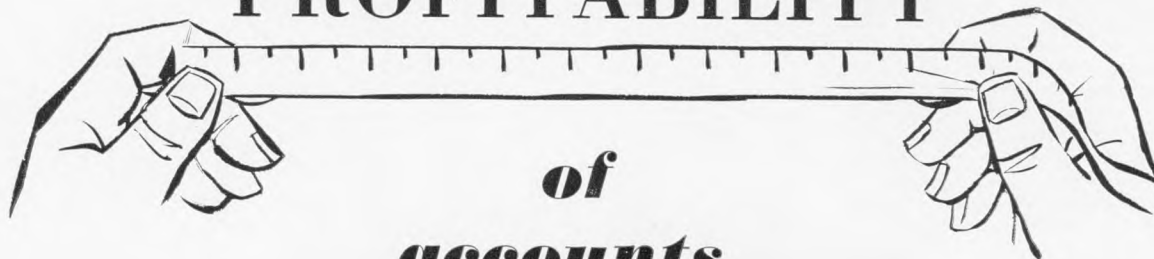
Creed

(The following creed was adopted by officers and directors of The American National Bank and Trust Company of Chicago as the guiding philosophy for the bank. Permission was requested and granted for its reproduction with this article.)

Our basic justification for corporate existence is to earn maximum profit for our stockholders in such manner that they may take justifiable pride in the corporation and in the quality and level of our earnings. In accomplishing this goal, we are governed by the following principles:

1. Maintenance of a strong, well-balanced financial condition.
2. Development of, and participation in, every growth market for our services.
3. Maintenance of the highest level of integrity in all relationships with customers, competitors, suppliers, employees, and the public.
4. Dedication to excellence and quality in serving our customers.
5. Commitment to encourage and develop the unique talents of the many individuals who constitute the corporation itself through continuing concern with viable motivational and educational programs.
6. Support of, and participation in, the activities of the community in attacking and solving the problems of contemporary life.
7. Construction and maintenance of comfortable, attractive, and efficient banking quarters, reflecting good taste and concern for the convenience of our customers.
8. Active pursuit of carefully conceived short and long range goals consistent with the foregoing.

MEASURING PROFITABILITY



of accounts receivable financing

WHAT rate should a bank charge if it is about to enter accounts receivable financing? Or, putting it after the fact, is a bank making a profit on its receivables operations after taking into consideration the labor required to service its customers and allowing for reasonable allocations of other costs?

Obviously, there should be as many answers as there are banks engaged in, or about to enter into, receivables financing. From bank to bank, operational methods and precise money cases are as individual as the fingerprints of their officers. And profitable rates for any type of lending have to be the function of a combination of money costs and the cost of servicing customers.

Rate Scale

But beyond this, and possibly overlooked in cost accounting, is the fact that individual accounts require varying amounts of servicing—something that is particularly characteristic of receivables financing. For that reason, a true profit picture will inevitably and properly lead to a scale of rates for secured lending, rather than a come-one-come-all charge.

The purpose of this article is to provide a yardstick for measuring the profitability of a bank's accounts receivable financing. I will do so by giving you a brief insight into how we at Walter E. Heller & Company cost out our expenses in handling secured loans. Of course, our measurements, which are based on 50 years in

this business, will not provide the final answer for anyone but ourselves. However, if there is any question in the mind of the reader about the profitability of his bank's receivables financing, our formula should provide some down-to-earth computations to start a meaningful discussion.

Perhaps it would be well, first, to place the problem in the general context of profitability and what we financial men demand of others—our clients—but not always of ourselves.

Double Standard

Recently, a banker friend of mine made the statement that there is often a double standard established between financial people and their clients with respect to the relationships between costs, pricing and profits. He declared that the banker preaches to his client that he must know his costs in order to maximize his profits. In no other way can the client determine whether the prices he is charging his customers are adequate to return a desirable profit. All of us—bank and commercial finance company alike—require this elemental accounting of our customers. The question in my friend's mind was: Do we really require the same of ourselves? Do we, indeed, know our own costs in serving that same client?

Some of us, my banker friend said, rationalize that most of the talent in a financial institution is properly classified under fixed expenses. Therefore, it is assumed, the rate charged to a client should be determined by his

financial strength and competitive pressures, rather than by the labor required to service his account. Worse, some of us don't even know the costs of handling individual loans. Or, where these costs are known, we do not attempt to equate departmental return on capital to any pre-established standards.

It is interesting to note that the personnel of our Mid-Western Accounts Receivable Division (handling 11 states) now consists of one person for every \$650,000 of average funds employed. Of course, this average is not a hard and fast standard. Our present staff includes people in the accounts receivable and inventory loan operating departments, examiners and the selling and administrative group. It does not include non-departmental personnel necessary to carrying on our business, such as payroll and accounting people, nor, of course, our corporate executive staff.

The number of people in this division may seem excessive to the reader, but if I may indulge in some corporate pride, I will say that we watch our pennies closely and are satisfied that we run a reasonably taut and profitable ship.

Total operating expense, including employee compensation, acquisition expense, rent expense, legal expense, collection expense, other general and administrative expense, plus allocated general and administrative expense but excluding interest expense and bad debt expense, is the equivalent of

3.1 per cent of average funds employed.

A particular banker may take issue with these specifics in comparing them to his operations. But the point I am making is one of principle: In order to handle accounts receivable business profitability, it is necessary to know all of the expenses chargeable to that operation and to allocate them accordingly. To run a reasonably efficient operation and service accounts in a way that avoids unusual losses, it is likely that operating expenses, apart from bad debts and interest expense, will run at least 3 per cent of a bank's receivables outstandings. This assumes, of course, that the size of its receivable portfolio is large enough to take the bank beyond the break-even point.

Money Cost

The next variable to consider is money cost. Except for capital employed, we must borrow all of the funds we loan out and, therefore, our raw money is higher than a bank's. For a bank, however, it is the manner in which deposits are allocated to the various lending departments that has significance in determining operating costs. Let me demonstrate that point by an example.

One of the major banks had occasion to review its costs with us. We were told that its accounts receivable department was being charged for money at the rate of 6 per cent per annum, which was the prime rate at the time. Demand deposits were allocated first to the primary lending activities of the bank, and only the most expensive money was "going" into accounts receivable financing. As a corollary, the department was credited at the 6 per cent rate for any deposits maintained by its receivables customers. This 6 per cent figure and the practices of this particular bank may not coincide with those of other banks, but it seems clear that some money cost figure must be pre-determined in order to establish the profitability of various loan centers.

Assuming for the sake of discussion that the 6 per cent money cost figure would be applicable to another bank and combining it with my earlier figure of 3 per cent of average funds employed to cover operating expense, one arrives at a tentative rate of 9 per cent for a loan secured by accounts receivable. But this leaves no margin to cover bad debt expense and permit a profit, except for the credit that may be given for customer balances. Clearly, this is an unprofitable return by any standard, particularly in view of the fact that accounts receivable borrowers traditionally play

the float, with the result that their balances are minimal.

Bad Debt Reserve

This brings us to the matter of establishing a separate bad debt reserve for the receivables financing department. One point is clear: Any lender involved in accounts receivables financing is going to have some measure of bad debt charge-offs. If none occur, the lender is not doing a proper job. The theory that a bank engaged in accounts receivable financing has only traditionally excellent bank credits and, therefore, need not worry about losses can lead to either serious disillusionment or to missing a substantial portion of its potential market. In package loans, that is, those which involve both accounts receivable and inventory, bad debts approximating one-half of one per cent of outstandings are normally tenable.

Since banks generally report their earnings per share before bad debts and charge bad debts directly to their reserves, many have not established departmental bad debt cost centers. But regardless of what a bank's accounting practices may be, bad debts are an expense of doing business and should be charged directly and clearly to the department creating them. They should also be taken into account in establishing departmental performance, and it follows that an allowance for bad debts should be built into the rate structure. At this point, then, adding the one-half of one per cent for bad debts to the 9 per cent previously established, we have a 9½ per cent rate to break even on an average account.

We seem to have arrived at a moment of truth, at least for banks whose operations bear near relationships to our rate assumptions. As a fact of life, it might be stated: If the policies of a bank do not permit charging a rate higher than 9½ per cent, then there is no economic justification in that bank's doing accounts receivable financing.



By **STEPHEN C. DIAMOND**
Vice President
Walter E. Heller & Company
Chicago, Illinois

Conversely, there is no inherent reason why a bank should not handle receivables financing if:

1. **It is willing to spend the money for, and is able to acquire, the personnel required to adequately police an accounts receivable loan;**
2. **It knows and properly allocates all of its costs, including a provision for bad debts;**
3. **It is willing, as a matter of realistic policy, to charge what may appear to be a high "bank" rate, in order to cover its costs and still earn a satisfactory profit.**

Bank-Wide Policy

I have discussed in this article only one of many ways of allocating costs in order to accomplish profitable operations. In general, however, it surely can be said that a bank-wide policy on the matter of such allocations should be established, and that as a product of this policy, lending officers should be responsible for earning a satisfactory profit on the portfolio they administer. That's the way it is at Heller.

But we go a step further in refining our cost controls, and we recommend that banks do the same. It is just as important to measure the profitability of individual accounts as it is to maintain a profit watch on an entire department. The profitability of a portfolio cannot be any better than the profitability of the parts. Therefore, we maintain individual time records on each of our accounts receivable clients, recording not only examination time, but direct, daily handling time as well.

Every six months we prepare a summary for each account, including both direct and allocated costs, the latter generally based on their ratios to total funds employed. If an account is not returning a reasonable profit, we bring the facts to the attention of our client, and generally he agrees to pay a higher rate. However, some will not, and we suggest that they arrange for other financing. In the majority of cases, they can obtain substitute financing at a lower rate than we have quoted.

The very fact that "cheaper" financing is available in so many cases bears out what we have discussed. Those lenders who make it available are very often the same ones who, in handling their loan portfolio, are volume rather than profit motivated. And by requiring detailed profit accounting from their clients, while short-circuiting their own, they have created a double standard with respect to the relationships between costs, pricing and profits.—End.

How a County Seat Bank Finances Small Businesses

By **KEITH E. ROBERTS**
Executive Vice President
Beatrice National Bank and Trust Company
Beatrice, Nebraska

■ This article is a condensation of an address given by the author recently in New Orleans, La., before a convention of electrical motor dealers and allied service industries. It tells how a county seat town (13,000 pop.) bank with \$22,000,000 in assets works with small businessmen to assist them in their regular financial needs and their search for growth.

BANKS must be able to meet the needs of small businesses either to make the loan or make arrangements for the loan to be made. This brings me to a specific area of lending—that of the term loan.

A term loan is often defined as being a loan that has a final maturity period of longer than one year. However, I do not feel that this definition sufficiently describes a term loan.

Instead, I would define a term loan as a loan that provides the borrower with intermediate or long-term capital funds that has a final maturity period of longer than one year and less than 10 years. It must be dependent upon the borrower's future earnings and/or cash flow for its ultimate liquidation, and that it has been custom designed to meet the borrower's unique needs for credit and, at the same time, satisfy the lending bank's requirements for earnings, liquidity and safety.

Many bankers take pride in claiming that their bank does not make term loans. I personally feel these bankers really are making term loans all the time but do not admit it. There was a time when all loans were made for six months or on demand and sometimes got renewed so many times they were term loans whether meant to be or not.

Need for Term Loans

The need for a term loan is often found in the following situations:

1. Increased profitable business has created an urgent need for a new plant and equipment capable of producing more volume at a lower cost.

2. Expansion of a given business may have provided a bountiful amount of profit but an embarrassment of working capital. Greatly increased amounts of accounts receivable and inventory may be putting severe strains upon a company's working capital—a problem that may be alleviated in whole, or in part, by a term loan.

3. A particular business plagued by a shortage of adequate capital funds from the start may have been driven to high cost borrowing sources such as factoring of accounts receivables, loans against accounts receivable, or inventory financing.

History of a Term Loan

About five years ago, we had a case which fits the example which I just mentioned. An industry in our city had changed hands about three times and the out-of-town owners had milked



REGULAR visits should be made by the banker to the borrower in connection with accounts receivable financing.

it dry; and we were about to see it removed from our community.

In a community of our size we could not afford to let this industry leave. This industry provided employment for an average of 350 people during the year.

The company authorized the sale of 5,000 shares of 6 per cent preferred stock which were sold within the community; 50,000 shares of common stock were sold at \$10 per share and \$1 million of Ida bonds were issued payable over a period of 15 years. The company is still struggling, but at least we held it and we hope in time it will work out of its financial bind. James Talcott Company of Minneapolis works with us on the accounts receivable financing.

Receivable Financing

There is no particular magic in receivable financing as it is simply a method in the normal cycle of converting cash to inventory, inventory to receivables, and receivables back to cash. This, of course, lessens the need for working capital. In this type of financing, the banker and borrower work very closely at all times.

Usually the bank agrees to extend 60 per cent and 80 per cent of all assigned receivables which are not delinquent. Regular visits are made by the bank to make sure assignments and collections are being handled properly, to watch the level of returns, to see that earnings are being generated, and to make sure trade bills are being paid within terms. This is an expensive method of borrowing but is often considered less onerous than sharing ownership with others in order to obtain necessary capital.

Up to this time, I have talked about

banker and borrower relationship with the loan, but now I would like to discuss with you the financing devices which are available to us to solve the financing needs of you, our customers, through the use of government agencies.

S.B.A. Loans

Small Business Administration loans have helped thousands of small firms get started, expand, grow and prosper.

Businessmen like you represented here today may do well to check with your banker at home in regard to a S.B.A. loan. There is no stigma attached to such a loan.

Some of the advantages of a S.B.A. loan may be described in the following way:

Terms on S.B.A. business loans may be for as long as 10 years.

Interest rates on S.B.A. portion of immediate participations as well as direct loans may not exceed 5½ per cent. The bank sets the rate on guaranteed loans and its portion of immediate participation loans. In other words, the bank participates in a loan on a 50-50 basis, that is—half of the loan would be at 5½ per cent and the other one-half at the regular rate. At this time, this alone is a definite advantage.

The security for the loan may be of one or more of these:

1. Mortgage on land, buildings and equipment.
2. A chattel mortgage or security agreement on personal property.
3. Guarantees, personal endorsements, or assignment of current receivables.

Now if you believe that you qualify and wish to apply for an S.B.A. loan through your local bank, follow the step-by-step procedure your banker will outline.

There are other S.B.A. loan plans such as a lease guarantee program or a local development program which is designed to provide strength to lagging economies.

Like a Football Team

Maybe I can best sum up what I have been trying to say by comparing both of us to football. There is a goal line that determines whether you win or lose. In business that goal is to increase your sales profitability. The football and how it is handled is the key to the whole game. The football in your business is your capital, your money.

It takes 11 men with individual specific talents all working closely together to have a good team. As banker, I like to think that I am a key member of your team giving freely of my abilities along with all of your

Chicago's Rigged Voting OK's "Right Bank on the Left Bank"

HUMOR has been proven again as an effective public relations arm of banking. Evidence of this was a six-week battle that involved the *Chicago Tribune*, WFMT FM Radio Station, WMAQ-NBC Radio and Merchandise National Bank of Chicago which has finally been resolved. In a virtual water-slide,



George B. Everitt (left), chmn. of the board of Merchandise Natl. Bk. of Chicago, and Harry F. Tubergen, Jr., pres., are shown stuffing "The Great Chicago River Controversy" ballot box in the bank's lobby.

the public voted 80 per cent in favor of Merchandise National's position in The Great Chicago River Controversy.

The controversy began when Merchandise National Bank in the Merchandise Mart on the north side of the Chicago River painted a wall sign saying "Bank at the right bank on the left bank." *Chicago Tribune* Columnist Will Leonard took exception. He declared in his column that, since the Sanitary District had reversed the natural flow of the Chicago River at the turn of the century, Merchandise National was actually on the right bank. That started the water fight.

Merchandise National Bank's advertising agency retaliated in a letter printed in Mr. Leonard's column stating "When it comes to declaring for the Almighty or the Sanitary District, we side with the former." Mr. Leonard was "flooded" with letters pro and con supported by quotes from such authoritative sources as the Bible and the Charts of the Illinois Waterways.

Merchandise National declared that The Great Chicago River Controversy should be settled the American way . . . by ballot. In an advertisement on the same page as Mr. Leonard's *Tribune* column, the bank ran an official voting ballot. A voting booth was also set up in the bank's lobby. Employees of the bank were encouraged to vote "yes." Then WFMT Radio Station on the opposite side of the river plunged into the act by asking its listeners to "take a pragmatic, realistic stand and vote "no."

Taking no chances Merchandise National's advertising agency, Mitchel Suttner McPhilliamy, Inc., placed an ad in the *Chicago Tribune* urging the public to vote "yes." They were joined by WMAQ-NBC Radio, located in the Merchandise Mart, which called for its listeners to vote "yes."

Asked to take a stand on this important issue, Chicago Mayor Daley's office wrote, "When the leprechauns return to paint the Chicago River green next year, we'll ask them."

In publishing the results of the voting in a column headed "Left Bank on the Right Bank," Will Leonard declared, "Never this side of Moscow has balloting been rigged more one-sidedly than it was in The Great Chicago River Controversy."—**End.**

other key people and department heads.

Sometimes the quarterback calls a ground play, sometimes a pass, and whether the play is a gainer or not depends entirely on what he does with the ball after he gets it. **YOU** are the quarterback of your team.

Not many centers get any glory or fame, but I guess that's who we want to be on your team; the fellow who

huddles with you to know the signal you're calling, who hands you the money you need to get your play going toward your goal, and then who does everything possible to protect you.

We want to work hard alongside you and our expectations are perhaps un-

COUNTY SEAT BANK . . .

(Turn to page 91, please)

Northwestern Banker, June, 1969

How We Hit \$30 Million

A Case History of a New Bank's Growth Based on Providing What the Customer Wants

CENTER BANK is located in a five-level shopping center on 42nd and Center Streets in the first shopping center built in Omaha. The Center was opened in September of 1955, complete with grocery, drug, variety, shoe and department stores, dress shops, pet shop, doctor and dentist offices, two bars, a restaurant and bowling alley. There is under-cover parking for 1,400 cars and easy access parking on three levels.

Rapid Growth

The charter for Center Bank was granted on November 26, 1955, and construction started in January of 1956. The bank opened its doors for business on April 2, 1956, ready or not, on the second level. It occupied 3,500 square feet of floor space and had a staff of four officers and five employees. There were no carpets, no desks and lots of unfinished projects, but the work continued and the grand opening was held on April 22.

Hours were from 9:30 to 2:00 p.m. Monday through Friday, and the bank was reopened from 3:30 to 6:00 p.m. on Monday and Friday only.

Two years later, the officers discovered that 2 million shoppers per year were passing the bank doors during the closed hours. So Center Bank became the first bank in Omaha to have longer hours and remained open until 8:00 p.m. weekday evenings and opened from 9:30 a.m. until noon on Saturdays.

Longer hours increased the number of customers and deposits beyond expectations and necessitated larger quarters. The bookkeeping, installment and mortgage loan departments were moved to new quarters on the third level, but soon they were too crowded. Installment loans were moved back to the second level and bookkeeping moved to the fourth level.

In July of 1963 the second level bank area was expanded and the bank now occupies 12,146 square feet of floor space. A drive-in facility with two windows was constructed in September of 1966. Center Bank is the largest state bank in Nebraska and our mortgage loan department ranks 49th in the U. S. among commercial banks. (See Chart No. 1.)

Bank Staff

In April of 1965, the bank was purchased by the Northwest Bancorporation and the founding president became ill that year. He died in 1966 and Ray E. Stanley, the only remaining member of the original staff, became president.

The present staff is comprised of 11 officers, 56 full-time and 22 part-time employees. Twenty-six are on the day crew, working from 8:30 a.m. until 4:00 or 5:00 p.m., depending on their duties. All of the day tellers are women. At 3:30 p.m. they total out their teller machines, go to the back room to balance and the evening and Saturday tellers step into the windows. These are college students and of the 11 present officers, five began their careers as evening tellers. We also have two part-time policemen.

Now the bank is rapidly outgrowing the present quarters. Plans are on the drawing board for a new drive-in, walk-in facility two blocks west of the Center. This facility also will contain safe deposit boxes, since we have a long waiting list of customers who wish to rent boxes, and we do not have enough boxes to rent. All of our departments are on automation, processed by our correspondent bank downtown.

How do we give the customers what they want?

**WITH TRAINED AND FRIENDLY PERSONNEL.
KNOWLEDGEABLE OFFICERS.
LONGER HOURS.
CONVENIENT PARKING.
FULL SERVICE BANKING FACILITIES.
IMAGINATIVE ADVERTISING AND PROMOTIONS.**

CHART NO. 1
Growth of Deposits and Accounts

Date	Total Deposits	Number of Accounts ¹
December 31, 1956	\$ 2,860,000	2,391
December 31, 1957	4,471,900	4,393
December 31, 1958	7,069,500	7,878 ²
December 31, 1959	9,515,935	12,478
December 31, 1960	11,084,958	15,160
December 31, 1961	12,362,021	17,091
December 31, 1962	13,394,618	18,771
December 31, 1963	13,828,442	20,018
December 31, 1964	17,401,450	21,134
December 31, 1965	17,505,374	22,898
December 31, 1966	18,588,393	25,760
December 31, 1967	25,113,472	28,477
December 31, 1968	29,048,438	31,906
April 5, 1969	30,300,650	

¹Excluding Safe Deposit Boxes and Christmas Clubs.

²Longer hours started.

CHART NO. 2
Growth of Senior Citizen Checking Accounts

Date*	Active Accounts	Dollar Balance	Average Balance
October 1966	215	\$ 82,313.91	\$382.85
December 1966	515	221,130.96	429.38
June 1967	898	414,123.37	461.16
December 1967	1,143	561,650.90	491.38
June 1968	1,374	746,482.11	534.29
December 1968	1,495	911,087.57	609.42
February 1969	1,571	974,282.52	620.16
*End of Month			
April 10, 1969	1,643	\$1,081,453.00	\$658.00

in 13 Years



Delivered by
MRS. DORIS J. CAPPS
Bank Hostess
Center Bank
Omaha, Nebraska
at the Regional
Bank PRMA Clinic

Senior Citizen Accounts

What do people like best? **Something free.** And we have that unique service in Omaha with free checking accounts to any Senior Citizen, age 65 or older. (Chart No. 2, Growth of Senior Citizen Accounts.) This promotion, the idea of Ron Nollette, who is in charge of business development, began in October of 1966 with an advertising budget of about \$3,000 and has grown, as of April 10, 1969, to 1,643 accounts with checking balances totaling \$1,081,453, with an average of \$658 per account. They were set up in a specially numbered control. These Senior Citizens are given 50 free personalized checks when they open the account and there are no charges for subsequent check orders. Center Bank provides a monthly statement, **free.**

We just completed a survey of these customers and Chart No. 3 explains which of our advertising media prompted them to open the account. The response to this survey was tremendous. On Friday, March 21, 1,571 surveys were mailed to the Senior Citizen customers and over 250 replies were received back in the bank the next Monday morning. They were not mailed with the regular statements, as we felt many statements are not opened promptly.

Of the 1,131 answering the survey by April 10, 558 have

CHART NO. 3

Survey Question No. 2

How did you hear about our Free Senior Citizen Checking Account?

Previous customers	17%
Friend or relative.....	22%
Radio	09%
Television	06%
Newspaper	06%
Billboard	07%
Lobby sign	10%
Combination	12%
Location	01%
Personnel in bank.....	06%
Solicitation of account.....	01%
Miscellaneous	01%
Not marked	02%

only the free checking account. (Chart No. 1, Other Services.) These customers have over \$325,000 in savings accounts and over \$1 million in CD's. There are undoubtedly many who have accounts jointly, with persons of other names and we were unable to take the time to locate these, as we do not have a central file system.

Results of Survey

All the employees were rated courteous, except one woman teller. A few customers would like even longer hours. Our telephone manners were rated prompt and courteous without exception. There were some complaints. Nine complained of long lines at teller windows at busy hours, one found our bank by mail form tedious, several wrote that we have inadequate safe deposit booths (and we do), five would like the old savings pass-books, one didn't like the overdraft charge, as she was out of the city and didn't know she was short!

Everyone could recommend our bank to friends. Several listed names of persons they had referred to us or they wrote how many of their friends had opened accounts.

The additional service requests were few, but interesting. Two wanted trust account information, one wanted us to change the name of the bank for prestige, another wanted information about the kind of will needed to avoid probate expense. Several requested investment and tax preparation help and advice.

About 50 per cent took the time and effort to write a comment—and most of them said they really appreciated the free account, especially because of other rising costs, safety of not having the cash at home, convenience of paying bills, and friendliness. One admired Center Bank because **OTHER** banks have such silly radio and TV commercials!

Successful Program

Mr. Nollette began this promotion and it has created unlimited good will and has twice been mentioned in the Public Pulse of the *Omaha World-Herald*. We perform other services for the Senior Citizens. Every Friday afternoon, they bowl in a Senior Citizens league on the fifth level of the Center at a reduced rate. On the first Friday of each month, I hostess a coffee for the bowlers and onlookers at the bowling alley. We appear before Senior Citizens groups whenever we are invited and cooperate with the Omaha Senior Citizen Council, made up of representatives of various retired groups in the city. I make hospital and home calls whenever needed and have been instrumental in obtaining several trust accounts. Sons and daughters often handle their aged

HOW WE HIT \$30 MILLION . . .

(Turn to page 111, please)

CHART NO. 4

Accounts of Senior Citizens of Center Bank

(Survey replies 1,131)

Have only the free account.....	558
Have other accounts.....	573
Have savings accounts.....	344
(Balances over \$325,000)	
Have certificates of deposits.....	215
(Balances over \$1 million)	
Have safe deposit boxes.....	193
Have loans	41
Have Christmas Clubs.....	43
Have other checking accounts.....	28

1969 Could Be Landmark Year

DO THESE years strike a familiar note?

1791
1863
1913
1933

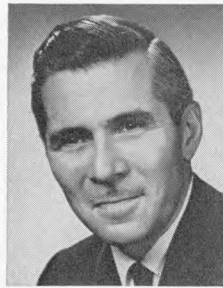
They should, because they were landmark years of Federal banking legislation. The establishment of the first Bank of the United States; passage of the National Banking Act and the inauguration of our dual system; the creation of a central banking system; and the provision for deposit insurance and other banking reforms—all have exerted, and continue to exert a marked influence on the manner in which we conduct our affairs as bankers.

It is possible that, in the years to come, historians will add 1969 to this list. For today we are all engaged in a major debate over the nature of the banking business. It is incumbent upon us, therefore, to take stock of the goals we seek to achieve and the procedures we will have to follow.

Congress Is Fair

First, I should mention that those who fear repressive legislation underestimate, I believe, the wisdom and fairmindedness of the Congress. The majority of the members of Congress understand the pivotal role of the commercial bank as the chief financial intermediary of our economic system. They want banks to be responsible custodians of the people's money—and so do we. They want banks to make loans that will help individuals and communities prosper—and so do we. They want banks to catch up with the times, to respond to new broadening demands for customer services arising from the technological revolution in commerce and industry—and so do we.

However, we must also be aware of the tendency of some legislators to assume the worst when they act about



A recent address

By WILLIS W. ALEXANDER, JR.
President

American Bankers Association
New York, N. Y.

prescribing actions and services in which banks may engage. In almost every instance since the 1930's, restrictive legislation has been aimed at the prevention of abuses which had not yet happened. The judgment often appeared to be rendered not on the basis of what we had done but on the basis of what the most suspicious and least trusting lawmaker thought we bankers might do in a fit of irresponsibility.

Presumptive Attitude

This attitude presumes a banker who is insensible to the public trust he bears. It presumes a banker who is out to destroy his competition, antagonize his customers and impair the growth and well-being of his community. There may be, somewhere, such a banker but I haven't met him, and the laws and regulations already in force would permit him a very brief professional life span.

The American people, today, know better. One of the significant derivatives of our industry's recent emphasis on retail services is an increased public awareness of what banks are and do. Our consumer services and our involvement in a wide range of community-betterment activities, particularly in the smaller communities, have made it demonstrably clear that the public interest and the interest of banks are the same. It has indeed made appropriate the title, "Community Banker."

I am not suggesting that banking is free to work its will in terms of public policy decisions affecting our industry. Such an eventuality is neither desirable nor possible in a free market economy. I do suggest, however, that we are in a position to advance our ideas and proposals in the policy-making forum without having constantly to prove our motives and our entitlement to be heard. In the present environment, we have no call to approach legislative and regulatory bodies in a defensive stance.

Industry's Posture

What is our posture as an industry, on the current legislative scene?

First, we are concerned—we must be concerned—primarily about long-range goals. What kind of banking system will be best for the country 10 or 20 years from now? What new services will customers want and need? How are the services to be administered and paid for? What kinds of regulation will be required to assure the safety of depositors' funds?

We stand for flexible administration of the law. The public interest requires that banking be both responsible and responsive to change. It can be neither, in terms of customer and public service; its course is pre-set on a narrow-gauge track.

It was this long-range sighting that

LANDMARK YEAR . . .

(Turn to page 42, please)

A farm with the Continental touch

The obvious touch of success . . . the comforting knowledge that everything man can do was done right. And while the Continental Bank agri-team can't claim the credit, it did help to provide the credit . . .

. . . the right kind of credit at the right time and right place . . . plus the kind of helpful service that can

come only from many years of practical farming and farm banking know-how.

You just might call it the Continental touch, an invisible ingredient in the recipe for progressive banking and profitable farming.



It's what you'd expect from
the biggest bank in Chicago.

Continental Bank

In farming today, it takes green to make green... lots and lots of it, more and more every year. So when farmer-businessmen in your community turn to you for help, it's good to know that *you* can turn to the agri-team at Continental.

Insurance

Money \$ Money \$ Money \$

\$ome time ago a Gallup poll survey asked the American Public this question... "What is your biggest worry these days?" The one answer given more often than any other was MONEY. For the average American, this means trying to keep as much money coming into the family pocketbook as goes out . . . or simply paying the bills.

After financial worries, the poll found that Americans then worry about raising their children and, finally, how to keep in good health.

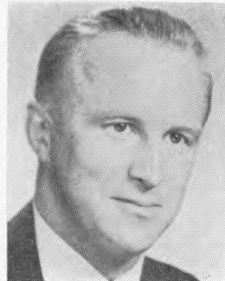
Money—Major Worry

Why, in the richest country in the world with employment at an all-time high, should our concern over having enough money still be our greatest worry? Experts in the field of personal financial planning are quick to point out that our wishes usually exceed our needs. And, we all know from personal experience, that our pay raises are quickly absorbed in our increased standard of living. Yes, our needs are many.

Look at these shocking facts reported by the U. S. Bureau of Labor Statistics. The chances are two to one that you will be alive at age 65, but 12 to one that you will not be financially independent if you reach that age. On a study of 100 Americans at age 25 and on equal financial footing, figures show that at age 65:

- 1 — will have \$10,000 or more
- 4 — will have \$2,000-\$4,000
- 54 — will be dependent on relatives, friends or charity
- 5 — with no estates, will be working
- 36 — will be dead

Here, then in the richest country of all . . . nine out of 10 are either



By **ROBERT J. FLORIN**
Director of Training
North Central Life Insurance Company
St. Paul, Minn.

dead or "dead broke" when they reach 65.

Insurance men can change these statistics! The only way I know to guarantee dollars for future delivery is to SAVE them. However, few people know the definition of true savings.

Two Income Sources

In order to define true savings, we must determine the sources of income. It is a basic economic fact that there are only two sources of income . . . men at work and dollars at work.

Most people simply work to live, because they don't have enough dollars working for them to provide an adequate income. During their working years, they will accumulate a certain amount of capital or wealth such as equity in a home, savings accounts, social security accounts, life insurance cash values, bonds, stocks and real estate.

The fact remains that the time will come when they are no longer able

to produce income for themselves. In other words, either death occurs or they find themselves no longer able or willing to produce an income. It is then that the wealth or capital which they have already produced must be converted to income for immediate use.

Savings Defined

It would appear that the true definition of savings is money which is saved that will ultimately produce income. All other types of so-called savings are merely deferred spending programs.

The only thing in the world that will guarantee principal, interest and life-time income at this time is a permanent cash value policy or annuity. How much does a term policy pay at retirement? Remember two out of three make it to 65, but only one out of 13 have any money when they get there. Let's do our share to change these ratios.—End.

DELUXE

MAKES BANK CHECKS

*and handsome, convenient Loan Payment Books
so nice they make installment paying a pleasure.*

MAKES BANK CHECKS

*and the greatest variety of Internal Bank Forms
ever created and designed by brainy bankers.*

MAKES BANK CHECKS

*and the most complicated, colorful and useable
Process Control Documents ever digested by a computer.*

MAKES BANK CHECKS

*and the easiest to use and most certain to sort
Deposit Tickets ever pushed through a teller's window.*

Call on us . . .



DELUXE CHECK PRINTERS INC.
STRATEGICALLY LOCATED PLANTS FROM COAST TO COAST

New Career Suits Introduced By 1st of St. Louis Employees

FIRST NATIONAL BANK in St. Louis recently introduced the new "First Look" in customer areas of the bank, and also by an announcement campaign in metropolitan area news media.

On hand for the unveiling of the bank's new career suits now being worn by 65 female and 25 male public contact employees on the main banking floor and in the safe deposit department were Chairman of Board James P. Hickok, President Edwin S. Jones and other officers of the bank involved in customer, personnel and public relations activities.

The new career apparel was promoted by the bank on radio and television and in the newspapers. The newspaper advertisement stated that First National's decision to "dress up" contact employees was motivated in part by a recent survey indicating that 99 per cent of the customers responding felt employees were friendly and knew their duties. The general tone of remarks on the questionnaire form was summed up by one customer who wrote, "Your employees are, without a doubt, the kindest and most helpful I have met anywhere."

The mix-match career apparel was custom-tailored by Scot Fashion Apparel, Inc., St. Louis, which specializes in high-quality clothing for financial institutions.

The First National's wardrobe for women includes the following basic components: a gray princess style dress; a plain gray skirt; a gray and black checked skirt, a gray and black weskit; a gray open front, hip length jacket with gray and black checked trim; a plain gray open front, hip length jacket with braid trim; a sky blue blouse with three-quarter length sleeves and an ascot tie; a sky blue blouse with three-quarter length sleeves and a mandarin collar; a sky blue smoke ring, and a handmade sterling silver on black First National emblem.

The new career outfits for the men consist of a handmade First National emblem; a navy blue sharkskin blazer; gray slacks; navy ties imprinted with First National symbols, and blue oxford cloth shirts with button down collars.

Selection of the career apparel items was made by popular vote of those employees involved in the program following a series of meetings held with the designers and manufacturers by an employees' committee charged

with the responsibility of representing the group.

Continental Illinois Opens in Amsterdam

Continental Illinois National Bank and Trust Company of Chicago has opened a full-service branch in Amsterdam, the Netherlands—its seventh branch overseas and its fifth in Europe.

Donald M. Graham, chairman, said addition of the new branch gives the bank representation in most of the financial centers of western Europe and in all the Common Market countries.

Continental, whose international operations rank among the largest of U. S. banks, opened its first overseas branch in London seven years ago. A second London branch was opened in 1964. Last October, branches were opened in Frankfurt and in Paris. The bank also has representative offices in Brussels, Geneva, Milan and Madrid, and has equity investments in several European banks to supplement its European correspondent network.

Since 1964 the bank also has had

full-service branches in Tokyo and Osaka, Japan. Other subsidiaries, affiliate and representative offices are located in Africa, Latin America and Asia.

Bank Americard Will Sponsor a TV Special

Herb Alpert and the Tijuana Brass have been set to appear for their third television special airing on the NBC TV Network October 29, 9:00 to 10:00 p.m., with more than 2,600 BankAmericard banks sponsoring the special. This marks the first time that a bank credit card will be sponsoring a major network television special.

The first Alpert special, Herb Alpert and the Tijuana Brass, was telecast on CBS TV April 24, 1967, and then repeated November 24, 1967. The second special, The Beat of the Brass, was first aired on CBS TV April 22, 1968, and repeated on the NBC TV February 12, 1969.

The Alpert specials are the highest rated series of specials in the history of television.

Diebold Appointment

Francis E. Wilkie has joined Diebold, Incorporated as director, security systems engineering, bank division, it was announced by E. F. Wearstler, Diebold bank division vice president and general manager.

Chase Establishes Community Award to Honor George Champion

THE Chase Manhattan Bank has established the George Champion Awards for Community Service to be awarded annually to "groups that have helped the disadvantaged to help themselves—organizations which have dignified the individual by offering new opportunities for greater self-realization."

The awards were created in honor of the bank's former chairman "in recognition of the personal contribution which George Champion has made over a long and distinguished career to numerous organizations engaged in community service." Mr. Champion retired on February 28 of this year.

An award of \$50,000, which may be divided among two or more tax-exempt charitable, educational or scientific organizations, will be made annually for the next five years.

During his years as chairman of Chase Manhattan, Mr. Champion helped spearhead the bank's involvement in community affairs through programs that provide jobs to the urban disadvantaged, channel funds into

projects aimed at improving the quality of life in low-income areas, and lend the bank's technical and managerial talent to organizations working to accelerate the economic and social advancement of underprivileged groups.

Two such projects initiated under Mr. Champion's chairmanship are Job Opportunities in Business (JOB) and a Great Teachers program. Under JOB, young men considered "unemployable"—generally high school dropouts—are given full-time, individualized remedial instruction in basic academic subjects, followed by jobs leading to banking careers.

Under the Great Teachers program, which was undertaken to stimulate interest in business and finance among members of minority groups, the Chase Manhattan Bank Foundation underwrites visits by leading economists to some 17 colleges affiliated with the United Negro College Fund. Mr. Champion formerly served as the Fund's national campaign chairman.

What happens when a nine-billion-dollar bank joins up with a Dommerich?

What happens is that a whole new banking service is created. What happened was that the respected L. F. Dommerich & Co., Inc., became the Dommerich Division of Chemical Bank. What this means is that now Chemical Bank can offer its correspondents commercial financing and factoring services.

And what this means is that now Chemical Bank can help you help a client who needs factoring...while you maintain your own banking relationship with him. We can help your client over the rough spots and help him build, until he becomes bankable.

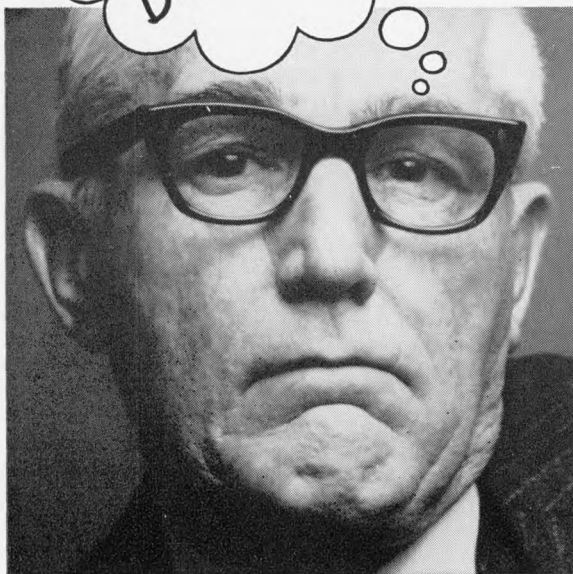
For a fuller explanation of Chemical's Dommerich

Division, ask your Chemical Bank Contact Officer for our booklet, "Facts About Factoring & Commercial Financing." Or write to Mr. Robert K. Jennings, Assistant

Vice-President, National Division, 20 Pine St., New York, N.Y. 10015.

When your needs are financial, your reaction is Chemical.

**Chemical
Bank**
Dommerich Division



1969 Could Be a Landmark Year . . .

(Continued from page 36)

underscored the A.B.A.'s consideration of the one-bank holding company bills pending in Congress. Let me emphasize that we brought into this matter bankers representing as many different backgrounds and viewpoints as we could find. The result, I am convinced, is an industry posture which will help the Congress write a positive, constructive law.

How Policy Is Made

While it isn't possible for each of you to take part personally in the A.B.A. policy-making process, I believe it is essential that each of you know what that process is. Let's see how it worked in the case of the one-bank holding company legislation.

Formal discussion of this issue by pertinent A.B.A. committees began some 10 months ago. The position adopted by our executive council on April 16 reflected the composite judgment of five committees or sections of the Association—some 300 bankers in all. They represented the executive committee of the state and national bank divisions, the state association section, the federal legislative committee, the administrative committee and, of course, the executive council. In addition, one or more of these groups discussed the matter with—and obtained the views of—Federal bank supervisory officials, members of Congress and the Administration, and spokesmen for specialized banking groups having a direct interest in the issue.

These bankers brought to the deliberative process a broad range of expertise and experience. They brought something else, which is equally important to the performance of an effective and responsible trade association—that was a willingness to evaluate the question not in terms of their respective banks alone but in terms of the long-run interests of banking. It was primarily this willingness on the part of bankers to focus on the industry's goals—to step out of their own skins, as it were—that enabled us to agree upon a stance for the industry as a whole.

Major Points of Position

Let me review briefly the major elements of your Association's position.

(1) We support a definition of functions in which bank holding companies can engage which will provide ample leeway for the future but still

keep bank holding company operations within the financial and bank-related area.

(2) We have urged that the decision by the regulatory agencies as to those activities which are "financial" and "in the public interest" be final and not subject to later attack in the courts.

(3) We have suggested the elimination of antitrust language from the various bills whenever it is redundant or clearly unnecessary.

(4) We support a division of supervision of bank holding companies among the three banking agencies, along traditional lines.

(5) We support a majority vote determination of permissible activities by the three banking agencies, rather than placing all authority in one agency or requiring a unanimous vote by all three.

(6) We believe that a cut-off date is needed to protect those companies organized in prior years, and believe that the most equitable date is that at which the first major bill was introduced in the Congress—namely, February 17, 1969.

(7) We oppose changing the existing criteria for measuring ownership or control of banks from the present 25 per cent more of stock to a nebulous, indefinite standard.

(8) We oppose inclusion in the holding company of provisions which we believe to be extraneous to the basic issues or are unnecessary, such as the so-called "tie-in" clauses of both the Administration's and Mr. Patman's bills, and those provisions relating to interlocking managements, fiduciary reports, and stock held by bank trustees.

Stand Up and Be Counted

In order to be a credible force in government relations, we must stand up and be counted on broad economic and financial matters. No industry is better qualified to do so. Public officials seek out and value the judgment of so-called special interest groups on issues outside their main interest. That's why your Association is addressing itself now to such problems as economic education, tax reform, and the economic ills confronting so many of our urban and rural communities.

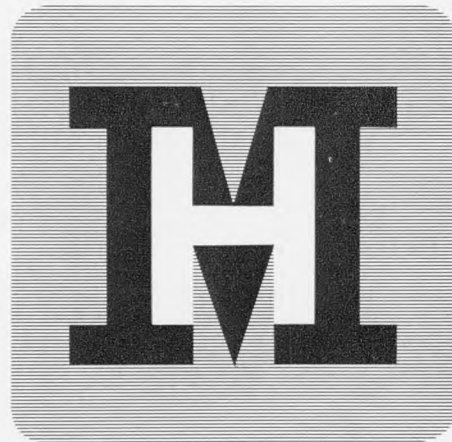
The soundness and vigor of our efforts depend, first of all, upon the personal involvement of concerned and

informed bankers. A policy-formulating procedure that permits thorough consideration of the issues is, of course, important. A professional staff, expert in research and tactics, is important. Testimony by a knowledgeable spokesman for the Association can be highly productive. But the fact remains that most Congressmen will give less weight to these factors than to the expressed views and interests of their constituents back home.

So, in a sense, the buck starts and stops in each of our banks. It is there that the strengths of the Association rest, if we will assert it. It is there that the policy of the Association is made, if we will declare it. And it is there that the future growth of the industry is assured, if we will cultivate it.—End.

Manufacturers Hanover Now Listed on NYSE

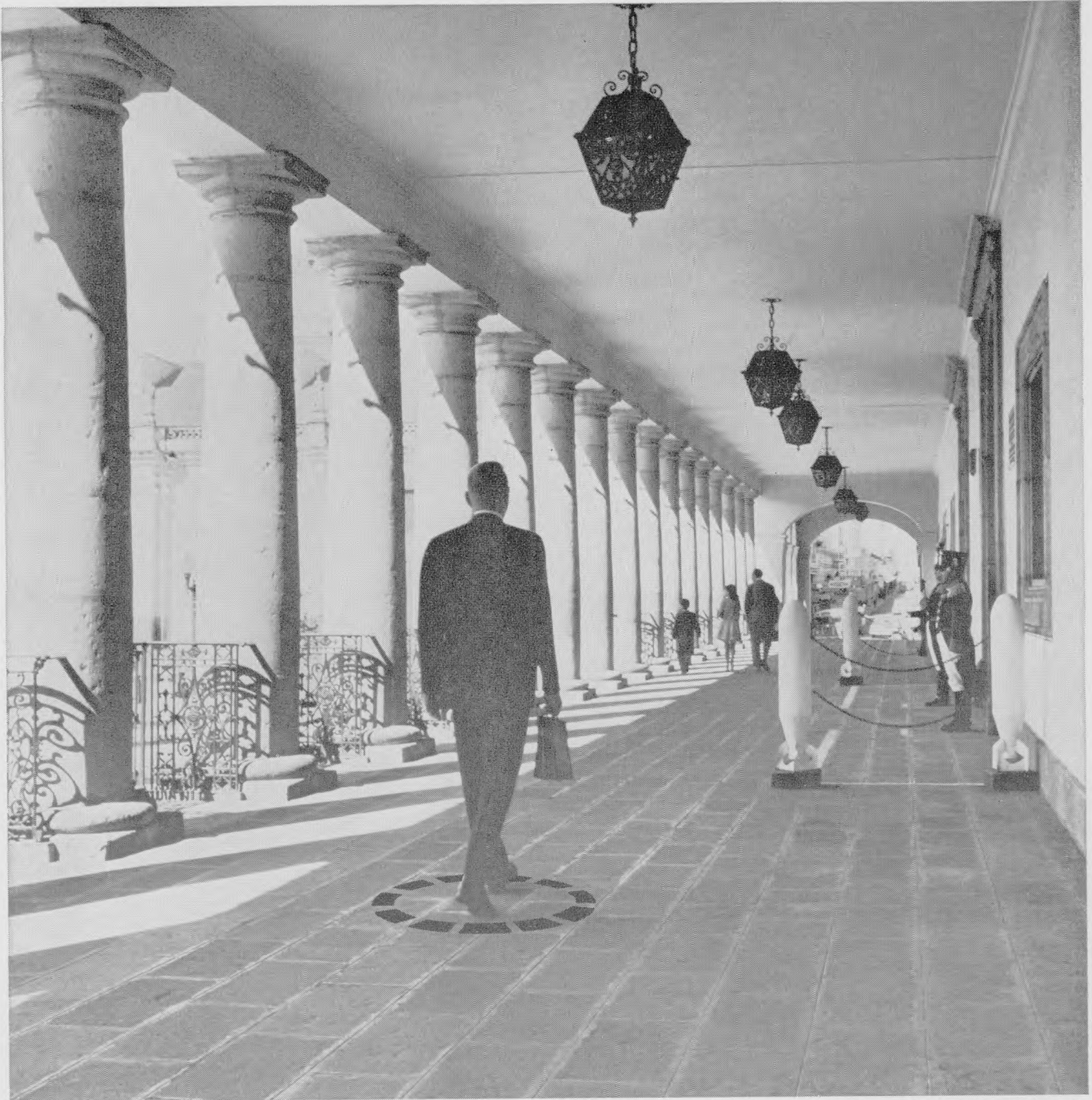
Manufacturers Hanover Corporation, New York, one-bank holding company whose only asset is the \$10.1 billion Manufacturers Hanover Trust Company, was listed April 28 on the New York Stock Exchange. The trading symbol is MHC.



CORPORATE SYMBOL of Manufacturers Hanover Corporation, one-bank holding company whose chief asset is \$10.1 billion **Manufacturers Hanover Trust Company** is shown in this photo. Symbol substitutes triangular middle descender of "M" for the "T" in MHT symbol.

Manufacturers Hanover Corporation listed 14 million common shares. MHT stock was previously traded over-the-counter. Shareholders of record exceed 44,000.

R. E. McNeill, Jr., chairman of the board, opened the day's trading with the purchase of 100 shares of MHC stock. He and other company officials, including Gabriel Hauge, president, and Eugene S. Northrop, vice chairman, were welcomed on the floor by Robert W. Haack, Exchange presi-



Presidential Palace, Quito, Ecuador — just fifteen minutes from a Bank of America branch.

Man-on-the-spot®... in Quito. Here in Ecuador, throughout Latin America, and around the world, he's the man to see for a commercial loan, foreign exchange, import-export financing, or any other international financial service. And **BANK OF AMERICA** can put him to work for you today. If your firm is interested in expanding here or anywhere else in the whole wide world, see **Bank of America — first in banking.**

BANK OF AMERICA — SAN FRANCISCO, LOS ANGELES, NEW YORK: Over 1000 branches in California and around the world including: Amsterdam Antwerp • Asuncion • Athens • Bangkok • Beirut • Birmingham • Bogota • Bombay • Brussels • Buenos Aires • Calcutta • Concepcion • Curacao Djakarta • Dublin • Duesseldorf • Frankfurt • Guatemala City • Guayaquil • Hong Kong • Karachi • Kobe • Kuala Lumpur • Lagos • Lahore La Paz • Lima • London • Lyon • Madras • Managua • Manchester • Manila • Marseille • Medellin • Munich • Osaka • Panama City • Paris Quito • Rotterdam • Saigon • Santiago • Seoul • Singapore • Taipei • Tegucigalpa • Tokyo • Valparaiso • Vienna • Yokohama • Zurich Banca d'America e d'Italia: over 85 offices throughout Italy. ©1969 Bank of America National Trust and Savings Association • Member F.D.I.C.

Northwestern Banker, June, 1969

Basic Concepts . . .

(Continued from page 29)

practices, job assignments, and compensation plans.

Unit President Concept

At American National, we have adopted what is called the unit president concept. Under this, each supervisor is the president of his unit directing action and taking responsibility within his area bounded by policy, budget, moral and legal limitations.

The first ingredient necessary for implementation of this type of organization structure is the enthusiastic support of it by those who do the managing. For that reason, we began by calling all our division heads together in a weekend retreat outside the Chicago area.

At that time, together we worked out the second necessary ingredient—the tools required for the organization structure to operate effectively.

Corporate Creed

We began by developing a **creed**—this is an expression of the type of corporate person we are and hope to be. This is stated, "Our basic justification for corporate existence is to earn maximum profit for our stockholders in such manner that they may take justifiable pride in the corporation and in the quality and level of our earnings." Supporting this are eight principles which further define our character.

The second tool is two sets of goals—long range and current year. These set the objectives we intend to accomplish and the steps necessary to reach them.

The creed and goals together form a philosophy for corporate living and growth showing where we expect to go, the distance to be traveled in the first year, and the manner in which we will travel.

Organization charts are the third tool. Our aim was to clearly define the lines of responsibility and authority while, at the same time, enhancing our organization's flexibility and informality. The feeling is that if there is no question about lines of responsibility and authority, the probability of cross-fertilization of ideas, suggestions, thoughts, and constructive criticism will be increased.

Our next tool is the job description. Each officer and key staff member, using a standard format, wrote up his duties, responsibilities, and area of influence. The job description was then reviewed by each man with the individual to whom he reports. The result was a clear agreement of what each man expected and was expected to do.

Fifth, standards of performance were set for jobs. Each officer was asked to put in writing what he expected to accomplish in the ensuing 12-month period. Again, we cross-checked the standards with each man's superior to resolve differences.

Sixth, we brought in a management consulting firm to help us determine our cost per unit of work. We began by identifying 113 expense centers throughout the bank. Next, a six-month period in 1967 was chosen as a base period and given an index value of 100. Thus, if current operations result in a key factor index of 95, the supervisor has found an effective way to reduce his cost per unit of work. On the other hand, if the index has risen to 105, the supervisor should look for that more effective way.

Profit Center Accounting

The most recent tool, which is now being implemented, is profit center accounting. Thirty-seven profit centers were chosen, each of which includes one or more of the previously mentioned expense centers. If a profit center does not produce an outside income, it is given credit for a paper income. Costs of work performed there are charged with a mark-up to other profit centers receiving the benefit of the service.

With these tools at his disposal, the unit president has the responsibility for employing his capital—his budget—and his employees to maximum advantage in order to maximize profit. He has a one-man board of directors (his immediate superior) to whom he can turn for consultation, but the responsibility for operating his department falls entirely on him. His "board" can ask for reports at any time so that he can get "feedback" on progress of that profit center.

There is an executive committee within the bank that can veto a proposal, if it is deemed necessary, when the unit president tells that committee his plan. Reports also come up from lower levels to upper management so that those with higher responsibility can constantly keep tabs on what's going on in any unit.

In conclusion, basic concepts of management are the same for all sizes of corporations, and the wide variance among the top 100 banks shows that management is not practiced equally well just because of size. Good management is a necessity and the prerequisite of all banks, regardless of size, and good management policies can be adapted to each bank to fit its particular needs and goals.—**End.**

To State Board

Neil Smith, vice president and director of the First National Bank and Trust Company of Mount Vernon, has been appointed a member of the Illinois Board of Banks and Trust Companies for a three-year term by the Hon. Richard B. Ogilvie, governor of Illinois.



N. SMITH

In connection with his board membership, Mr. Smith has also been named to serve on the Governor's Advisory Council, headed by Donald S. Perkins, president of Jewel Companies, Inc.

At present, in addition to his new state-oriented duties, Mr. Smith is president and director of the Lincoln Heritage Life Insurance Company; serves as vice president and director of the First National Bank and Trust Company, Mount Vernon, Ill.; Central Bank and Trust Company of Owensboro, Ky., and the Edgar County National Bank and Trust Company of Paris, Ill. He is also a director of the Security National Bank of Cairo, Ill. The financial institutions and insurance firm compose the Community-Action Group Companies.

Heads Chicago Ad Group

William R. Beckmann, director of advertising and public relations, National Boulevard Bank of Chicago, will accept the president's gavel from outgoing President Alan B. Eirinberg, Exchange National Bank of Chicago, at the Chicago Financial Advertisers' June 7 installation banquet and theatre party to be held at the Ivanhoe Restaurant 3000 N. Clark Street, Chicago.

Other officers named by the 43-year-old financial advertising group are: Donald J. Crowder, First Federal Savings & Loan Association, vice president; George M. Morvis, Illinois Bankers Association, secretary, and Violet M. Christin, National Bank of Austin, treasurer.

New Ad Agency

John R. Montgomery, III, president of Lakeside Bank, Chicago, has announced the appointment of Carobus & Fredericks, Inc., as the bank's advertising agency. Carobus & Fredericks specializes in advertising and public relations for financial institutions.

Ideas for sale

but not from George Jacobsmeyer.

George's ideas are free.

Even better than free, because they can usually save you money.

With thirty years of commercial banking experience, and as head of our Correspondent Bank Division, George knows how to handle just about any problem you might need help with.

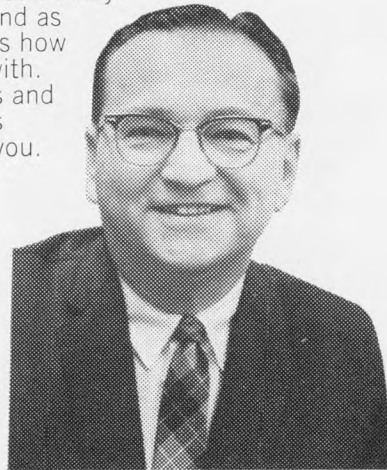
George is well known in banking and corporate circles and in the event he doesn't have the answer on the tip of his tongue, he knows right where to go to get the answers for you.

Answers, for example about financing. About introducing you to banks in distant cities to expand your customers facilities.

He knows too, about the delicate negotiations involved in the buying or selling of banks. And he can help you find good people when you need to hire personnel.

George can initiate action for you on-the-spot, without time-consuming committee approvals or other red tape.

At the Idea Bank, George is your man with the ideas. Why not call him about some of them today at (312) 621-5042.



American National - The Idea Bank

American National Bank and Trust Company of Chicago
La Salle at Washington 60690
Phone (312) 621-5000
Member FDIC

I HEARD THE MINNESOTA BANKERS
CONVENTION IS AT THE ST. PAUL HILTON
JUNE 9-11, AND RALPH NELSON,
FLOYD STEWART, PAUL LINDHOLM
AND ALL THE GANG FROM
NORTHWESTERN BANK WILL BE THERE.

HOW YA GONNA KEEP 'EM
DOWN ON THE FARM
AFTER THEY'VE SEEN
ST. PAUL?



DEPARTMENT OF BANKS AND BANKERS



**Northwestern
National
Bank of Minneapolis**

May we help you today?

Member Federal Deposit Insurance Corporation



J. J. CHOROMANSKI



S. R. WHEATON



M. R. CAMPBELL



O. G. JONES, JR.



K. A. WALES

Minnesota Bankers to Meet in St. Paul for 79th Convention

St. Paul Hilton Hotel

June 9-11, 1969

ANOTHER outstanding program of speakers has been arranged for the 79th annual convention of the Minnesota Bankers Association to be held June 9-11 at St. Paul Hilton Hotel in St. Paul. J. J. Choromanski, president of the MBA and president of the Crystal State Bank, Crystal, has announced that the three-day convention will feature the following well known personalities:

ABA President Willis W. Alexander; former Joint Chiefs of Staff Chairman General Maxwell Taylor; NASA consultant Dr. Jean Picard; inspirational clergyman Dr. Reuben Gornitzka, and international TV and recording star Anita Bryant.

Festivities will open as usual with golf on Monday, June 9, with registration and first tee-off commencing at 7.30 a.m. at Midland Hills Country Club.

Actual convention activities get underway Tuesday morning, June 10. A First Night Patio Party will be held on the St. Paul Hilton East Terrace that evening. Wednesday evening, June 11, the annual banquet will be followed by Miss Bryant's scintillating stage show.

The MBA nominating committee took official action last month to place before the membership the following names for election as MBA officers for the coming year, as endorsed at the nine district meetings last fall:

Stan R. Wheaton, executive vice president, First National Bank of Elk River, to succeed Mr. Choromanski as president; Marvin R. Campbell, president of the First National Bank of Crookston, to succeed Mr. Wheaton as vice president, and Ora G. Jones, Jr., president of the First National Bank of Red Wing, for reelection to a second term as treasurer.

Kenneth A. Wales, executive secretary, and Truman Jeffers, secretary, of the MBA staff have been working with association officials to prepare the following program:

MONDAY, JUNE 9

A.M.
7:30-1:00 Annual Men's Golf Tournament—Midland Hills Country Club.

P.M.

4:00

Registration Opens—St. Paul Hilton, Hotel, Lower Lobby.

4:00

Hospitality Rooms Open (Optional)—until midnight.

TUESDAY, JUNE 10

A.M.

7:45

Registration—Lower Lobby, St. Paul Hilton.

8:00

Agricultural Breakfast—Minnesota Ballroom. Convention Call to Order—J. J. Choromanski, President, Minnesota Bankers Association. Invocation.

Presentation of Colors.

Agricultural Breakfast Program.

Presiding—Leslie W. Peterson, Chairman, MBA Agricultural Committee; Executive Vice President, Farmers State Bank, Trimont.

Introductions and Comments—Chairman Peterson; 4-H Delegate and FFA Officers.

Address.

9:30

Recess.

10:00

First Business Session—Minnesota Ballroom. Call to Order—Presiding—Leslie W. Peterson. Address—Sherwood O. Berg, Dean, Institute of Agriculture, University of Minnesota, St. Paul. Panel Discussion on Challenges to Agricultural Banking.

11:30

Announcements, TV Drawing and Recess.

11:30-1.30

Hospitality Rooms Open.

The following groups have annual luncheons planned for Tuesday noon:

Pioneer and Past Presidents Club—Reception and Luncheon—Capitol Ballroom.

Minnesota Club—Central States Graduate School of Banking—Reception and Luncheon—Wabasha Hall South.

11:30

Minnesota School of Banking and Midwest Banking Institute—Reception and Luncheon—Wabasha Hall North.



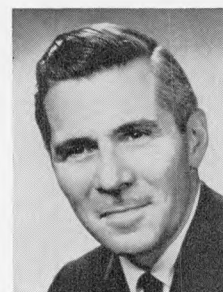
ANITA BRYANT



A. R. GORNITZKA



M. D. TAYLOR



W. W. ALEXANDER

11:30 Minnesota Flying Bankers—Receptions and Luncheon.

P.M.

2:00 Second Business Session—Minnesota Ballroom. Call to Order—MBA President J. J. Choromanski.

Greeting From The Mayor of St. Paul—The Honorable Thomas Byrne.

Report of the Treasurer—Ora G. Jones, President, Goodhue County National Bank, Red Wing.

Consideration of Amendments to the MBA Constitution and By-Laws.

Report of the Nominating Committee.

Election of Officers.

Address—Willis W. Alexander, President, American Bankers Association; President, Trenton Trust Company, Trenton, Missouri.

4:15 Announcements, TV Drawing and Recess.

4:30-6:00 Hospitality Rooms Open.

6:00 First Night Patio Party—East Terrace, St. Paul Hilton Hotel.

Buffet Dinner

Strolling Musicians

Cash Bars

7:30 Dixieland entertainment by Dave Wesley and the Barbary Coast Banjo Band.

9:00 Hospitality Rooms Open.

WEDNESDAY, JUNE 11

A.M.

8:30 Registration—Lower Lobby.

9:00 Third Business Session—Minnesota Ballroom. Call to Order—Presiding—MBA President J. J. Choromanski.

American Bankers Association Meeting and Election—Glenn A. Uggem, ABA State Vice President; President, Peoples State Bank, Wells.

Comments—Marvin L. Rye, Commissioner of Banks, State of Minnesota.

Panel Discussion and Question-Answer Session on Banking Regulations—Truth-in-Lending, Regulation Z, Bank Protective Act and Other

11:30

11:30

Noon

12:00

12:00

2:00

4:15

4:30

6:30

8:30

9:30

Operational Requirements.

Report of Resolutions Committee.

Adoption of Resolutions.

“From Balloon Gondola to Manned Spacecraft”—Dr. Jean Picard, NASA Manned Spacecraft Center Consultant, Minneapolis.

Announcements, TV Drawing and Recess.

Cash Bars Open—Lower Lobby.

Annual Ladies' Luncheon—Minnesota Ballroom.

Speaker—Dr. Mary McNeill, Chicago Psychiatrist.

Annual Men's Luncheon—Wabasha Hall.

Presiding—MBA President J. J. Choromanski. Awarding of Golf Prizes.

Address—Billy Martin, Manager, Minnesota Twins Baseball Club.

Fourth Business Session—Minnesota Ballroom. Call to Order—Presiding—MBA President J. J. Choromanski.

“Vietnam—Settlement and Then What?”—General Maxwell D. Taylor, Former Chairman, Joint Chiefs of Staff and Ambassador to Vietnam; President, Institute for Defense Analysis, Arlington, Virginia.

Report of the MBA President and Executive Secretary—J. J. Choromanski and Kenneth A. Wales.

“Your Stairway to Somewhere”—Dr. A. Reuben Gornitzka, Executive Director, Direction, Inc., Palm Desert, California; Former Pastor of Central Lutheran Church, Minneapolis.

Announcements, TV Drawing and Adjourn.

Reception—Cash Bars Opens on the East Terrace.

Annual Convention Banquet—Minnesota Ballroom.

Invocation.

Introduction and Installation of New Officers.

Entertainment—Stage Show with Singing Star Anita Bryant.

Dancing—Jules Herman and His Orchestra.

—End

Anton S. Peterson

Anton S. Peterson, 61, for 38 years an employee of the Wadena First National Bank, died recently in St. Mary's Hospital in Rochester. Mr. Peterson had served as cashier and manager of the insurance department at the bank.

Employs New Cashier

Adrian Goldberg has been named cashier at the Empire State Bank in Cottonwood. Mr. Goldberg comes to

the bank from Grand Forks, N. D., where he had served as a senior examiner with the Federal Deposit Insurance Corporation since September, 1967.

Manager in Mankato

Larry M. Blachowski has been appointed manager of the timepay department of the National Bank of Commerce in Mankato, according to John J. Howard, executive vice president.

Mr. Blachowski began employment with the bank last October as collector for the timepay department and was elected assistant cashier in January.

New Vice President

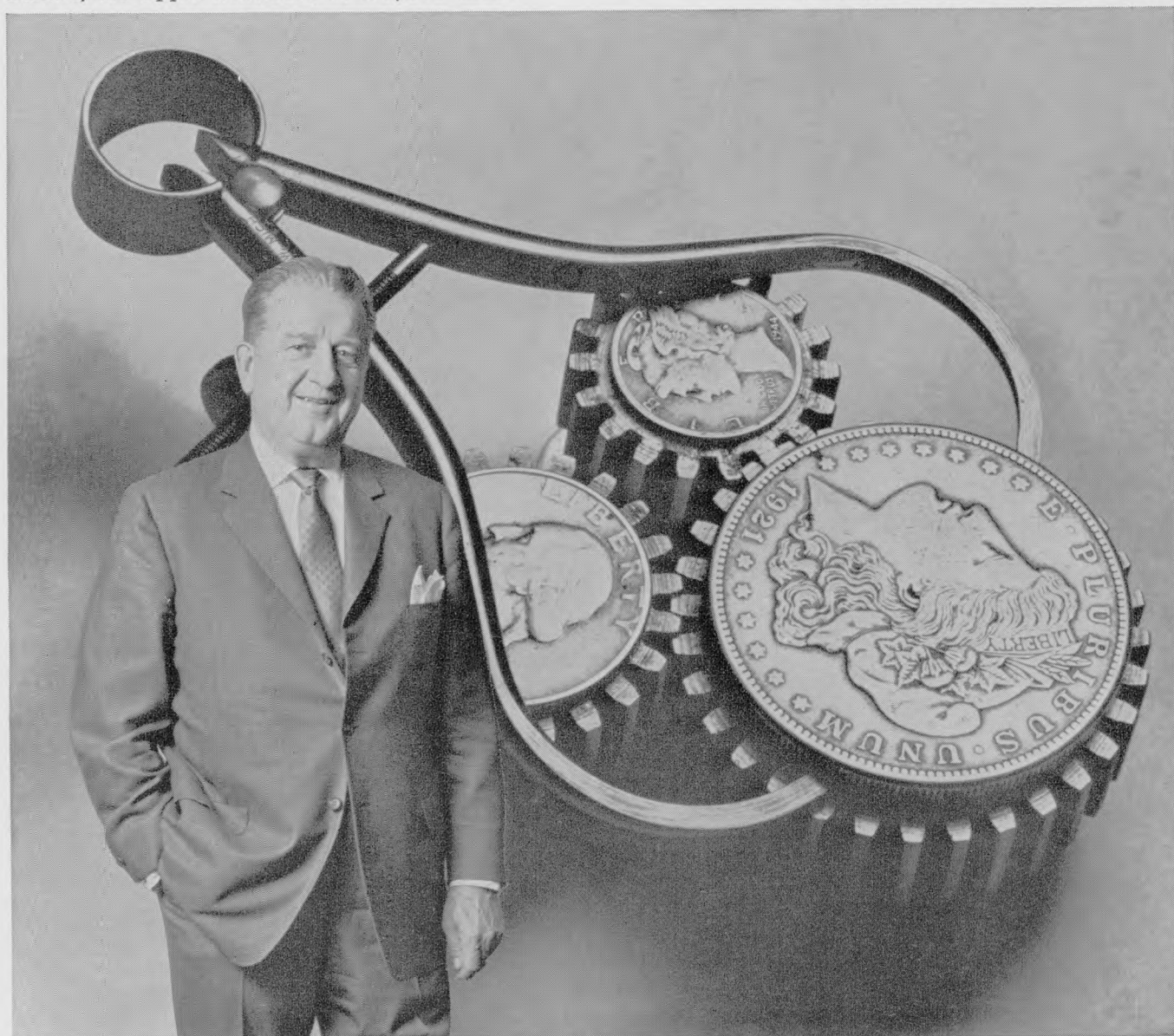
Lewis Swanson, presently of Grand Rapids, has been named a vice president at the State Bank of Tower. Mr. Swanson is also manager of the Tower-Soudan Insurance Agency, and he and his family will be moving to Tower in the near future.

GEORGE HENRY HAS AN EXPERIENCED IDEA FOR YOU:

talk to our Chief Engineer about successful profit planning

George Henry has been the head of our Correspondent Bank Division for 20 years. He's been in the banking business for over 40 years. He ran his own bank at one time. His father was a banker. His son is a banker. So if you have a banking problem that seems brand new, see George. He probably experienced the same thing somewhere, sometime . . . and solved it. Like the rest of our staff, he's always interested in money management for greater profits in your bank. Give him a call at *the Bankers' Bank of the Upper Midwest* . . . 612/334-4141.

**First
Minneapolis**
HAS AN IDEA FOR YOU

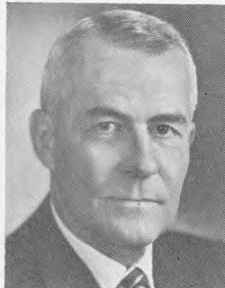


Correspondent Bank Division • First National Bank of Minneapolis • Member FDIC.

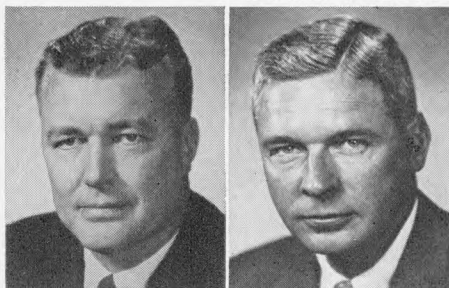
Northwestern Banker, June, 1969

Minnesota Convention Committees

THE 79th annual convention of the Minnesota Bankers Association, to be held June 9-11 at St. Paul Hilton Hotel in St. Paul, is under the general chairmanship of H. William Blake, chairman of the board at Northwestern National Bank in St. Paul. Other members of the general committee include John F. Nash, president, American National Bank & Trust



H. W. BLAKE



J. F. NASH

P. H. NASON

Company; Philip H. Nason, president, First National Bank, and Dr. A. E. Ritt, president, Midway National Bank, all of St. Paul.

The convention functions are being planned by the following committees, all from St. Paul, with chairman listed first:

Banquet and Entertainment

John A. McHugh, Northwestern National Bank; Arthur A. Haessig, vice president, American National Bank and Trust Company; Robert V. Kochendorfer, vice president, Northwestern State Bank; James T. Gowen, assistant vice president, First National Bank, and Donald L. Smith, vice president, Liberty State Bank.

First Night Party

James A. Ritt, vice president, Midway National Bank; John D. Cleary, assistant vice president, American National Bank and Trust Company; Marvin L. Ellison, assistant vice president, Northwestern National Bank; George R. Janssen, Falcon Heights State Bank, and Henry N. Snyder, assistant vice president, First National Bank.

Ladies' Luncheon

Isabel Shea, First National Bank; Leona Arceno, Eastern Heights State Bank; Alice Brennan, Midway National Bank; Rosalie Gales, American National Bank and Trust Company; Valerie Hecht, Northwestern National Bank, and Betty Ann Malcolm, Northwestern National Bank, South St. Paul.

Golf

Robert E. Sipple, administrative vice

president, American National Bank and Trust Company; Donald O. Aschbrenner, vice president, Drovers State Bank, South St. Paul; Robert G. Borowske, vice president, Northwestern State Bank; R. James Gesell, president, Cherokee State Bank; Arthur Nelson, American National Bank and Trust Company; Roland L. Nordlund, executive vice president, Hillcrest State Bank; Victor P. Reim, assistant vice president, Commercial State Bank; John A. Ritt, assistant vice president, Midway National Bank; William Sands, First National Bank, and Jack W. Weber, cashier, Summit National Bank.

Hotel, Utilities and Transportation

Walter A. Carpender, vice president, Midway National Bank; E. Roger Cunningham, assistant cashier, First National Bank; David R. Fesler, president, Liberty State Bank; W. H. Kortum, vice president, Western State Bank, and Arthur W. Melander, president, First Merchants State Bank.

Speakers' Reception

W. L. Boss, vice president, First National Bank; Robert J. Hubbell, president, Eastern Heights State Bank, and Donald H. Johnson, assistant vice president, American National Bank and Trust Company.

Publicity

Glen O. Olson, assistant vice president, American National Bank and Trust Company; W. Andrew Boss, president, Gambles Continental State Bank; Thomas Dolan, Northwestern National Bank; Daniel Haslerud, vice president, Minnesota State Bank, and Silas E. Rogers, assistant vice president, First National Bank.

Registration

Gerald M. Kanne, Northwestern National Bank; Thomas J. Skinner, assistant vice president, American National Bank and Trust Company, and Richard C. Swanberg, assistant vice president, First National Bank.

Joins 1st National

Cliff Mittelstaedt has joined the First National Bank of Waseca as controller. Mr. Mittelstaedt has been employed at Tyroholm-Sjoberg, Inc., as business manager for the past 14 years.

Capital Stock Increases

The following capital stock increases have been approved by the Minnesota Department of Commerce:

Santiago State Bank, Santiago — from \$50,000 to \$75,000 by stock dividend.

Tri-County State Bank of Ortonville, Ortonville—from \$100,000 to \$125,000 by sale of new stock.

Named Representative

John Carlander, chairman of the State Bank of Fairbault, has been elected District II representative to the National Association of Supervisors of State Banks Advisory Council.

Director at Proctor

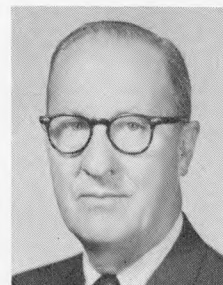
Mrs. Shirley Bourman has been elected a director of the First National Bank of Proctor and the first National Company.

New at Albert Lea

Robert C. Rundquist has joined the installment loan department of the First National Bank of Albert Lea. He was previously employed as a loan officer for Industrial Credit Company at Hastings, Nebr.

Honored as "First Citizen"

Harry Whittemore Gooch, retired First American National Bank vice president, has been chosen Duluth's "first citizen of 1969" at the 45th annual Hall of Fame Dinner, sponsored by the David Wisted-Zenith City American Legion Post.



H. W. GOOCH

Judges representing 28 labor, business, civic and service organizations cited Mr. Gooch for his outstanding service to the community in civic affairs and charitable functions.

About 500 persons witnessed the award presentation made by District Judge Patrick D. O'Brien at the banquet in the Hotel Duluth.

Celebrates 55 Years

The Farmers State Bank of Upsala observed its 55th anniversary last month with an open house.

Named at Duluth

Lawrence E. Habstritt has been appointed assistant cashier in the commercial loan department of Northern City National Bank. Mr. Habstritt served as a bank examiner with First System Services, Inc., Minneapolis, from 1964 until his current appointment at the Northern City National.

Resigns at Bird Island

Al Schwab, assistant cashier at the State Bank of Bird Island, has resigned to accept a position as assistant cashier at the bank in Cannon Falls.

Gil Falk, John Ordos, John Hunt, Doug Johnson



You
have friends
at Midland, too! Whether it's helping to hatch your
nest eggs profitably—solve operational problems—collections, data
processing procedures, systems, transits, credits—or securing tickets
to the ball game (purely personal service) call one of your friends at
Midland. He'll scramble to help you hatch a solution to your problem
—Midland Men seldom lay an egg—on any project! A crack team
to count on for new opportunities!



Midland National Bank
of Minneapolis 

Call 332-0511 401 Second Ave. So. • Minneapolis, Minn. 55440
Member Federal Deposit Insurance Corporation

Northwestern Banker, June, 1969

You Will See Them at the 79th Minnesota Convention

THE following metropolitan bankers, service and equipment dealers have indicated they will be attending the Minnesota Bankers Association June 9-11 in St. Paul.

Chicago

American National Bank & Trust Company: J. Roy West, second vice president.

Continental Illinois National Bank & Trust Company: Charles W. Battey, vice president; Samuel D. Ad-

doms, second vice president, and Len W. Busse.

First National Bank of Chicago: Nevin G. Bowser, vice president, and Clarence E. Cross, Jr., assistant cashier.

Harris Trust & Savings Bank: William W. Howell, assistant vice president.

Northern Trust Company: Robert P. Kline, vice president, and John N. Fix, second vice president.

Detroit

National Bank of Detroit: Barry B. Jones, assistant vice president.

Duluth

First American National Bank: Chester C. Lind, president; Orley Rath, vice president, and Leonard E. Griffith and John R. Oltmanns, assistant vice presidents.

Northern City National Bank: C. Glenn Rye, president; J. H. Claypool, senior vice president; Lynn B. Duncan, vice president, and R. M. Hammarstrom, assistant vice president.

New York

Chase Manhattan Bank: John C. Archibald, vice president; A. K. Small, second vice president, and Jay J. LaRusso, assistant treasurer.

Chemical Bank: Richard G. Hall, assistant vice president.

First National City Bank: A. T. Ellis, vice president, and C. Norman Gustafson.

Irving Trust Company: R. M. Laudenschlager, assistant secretary, and T. W. Pettus, representative.

Manufacturers Hanover Trust Company: John F. King, vice president, and Carl G. Carlson, assistant vice president.

Winnipeg

Royal Bank of Canada: D. W. Morison, district general manager; H. G. Hurd, manager, Winnipeg office, and A. B. Reimer, manager, commercial-industrial development.

Bank Equipment and Other Firms Bank Building & Equipment Corporation: Robert Schaeffer.

Bankers Service Corporation: Gordon Dodge.

Dawson Hail Insurance: James R. Dawson and Lyle C. Askerooth.

Diebold, Inc.: R. L. Schutt, Lee J. Sutton, Ralph M. Kelley, Richard Cherry and Scott Kennison.

Lawrence Warehouse Company: Henry D. Rhame.

Mortgage Guaranty Insurance Corporation: Tom S. Maple, Jr.

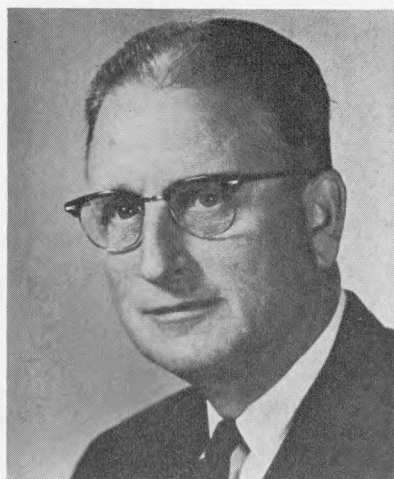
Mosler Safe Company: C. R. Browning, Donald Stephan and Barry Pitts.

New York Terminal Warehouse Company: R. C. Jorgensen, Leo H. Hermes, Jr., John Hogan and John E. Vaughn.

North Central Companies: Bill Stohr, Roger Pulkrabek, Dennis Carlson, Bob Ramaley, Gene Hanson, Larry Walsh, Vic Kozlowski, Bill Gregg and Jack Kemp.

National Fidelity Life Insurance Company: Gary L. Harris and Charles A. Gustaveson.

Rec Check, Inc.: David Anderson and Duane Mills.



LARRY BROOM



HOYT LATHEN

We're looking forward
to meeting all
our Minnesota and Montana
Banker Friends
at the
State Convention

NORTHWESTERN NATIONAL BANK OF SOUTH ST. PAUL

South Saint Paul, Minnesota

AFFILIATED WITH NORTHWEST BANCORPORATION
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

WELCOME TO ST. PAUL!



JOHN F. NASH
President



ROBERT E. SIPPLE
Administrative Vice President



ARTHUR A. HAESSIG
Vice President



JOHN D. CLEARY
Ass't Vice President



DONALD H. JOHNSON
Ass't Vice President

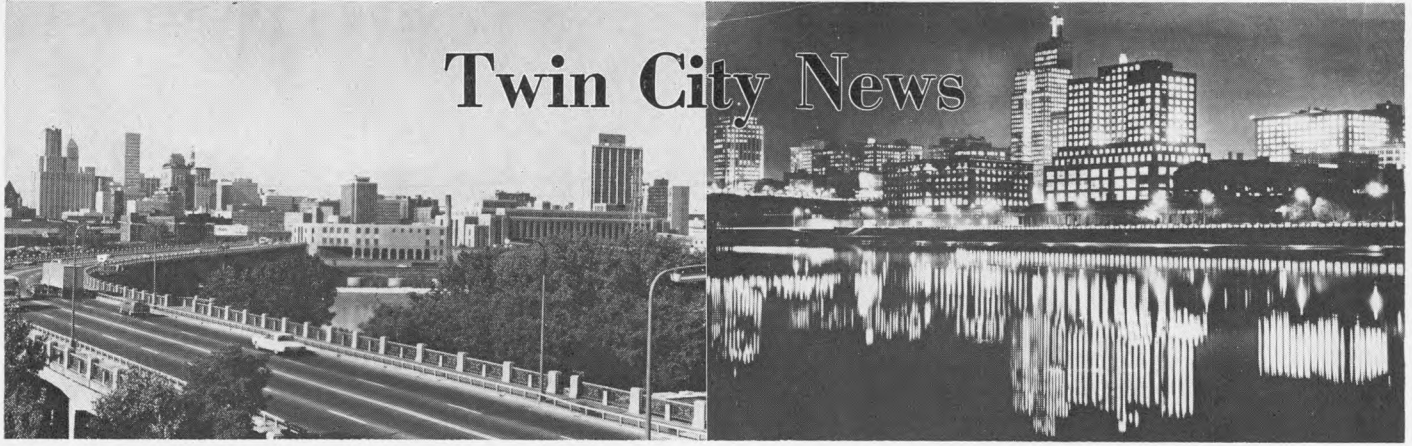


ARTHUR I. NELSON
Correspondent Bank Officer

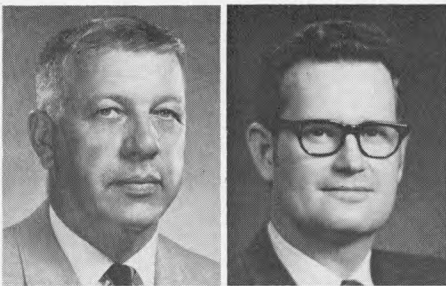
The American National Bank and Trust Company cordially invites you
to join us during the Minnesota Bankers Association Convention in our Hospitality Suite
Room 1601 June 9 and 10 at the St. Paul Hilton Hotel.

The American
National Bank and Trust Company
7th & Robert 228-2345 Member FDIC

Twin City News



AS REPORTED earlier, **Roland Nordlund** has been named president of the Hillcrest State Bank, St. Paul. Mr. Nordlund was one of the original three incorporators of the bank and has been active in the bank's management since it was established in 1955. He was elected executive vice president in 1965.



R. L. NORDLUND W. A. SMITH

William A. Smith, Jr., has been promoted to vice president. Mr. Smith joined the bank in 1957 as cashier. He has been in the banking business since 1949.

Roy W. Wemeier has been elected assistant vice president. He started his banking career in 1950 and joined the Hillcrest State Bank in 1961 as assistant cashier.

John V. Lusk has been named to the post of assistant manager, installment loan department. He has been with the bank since 1965.

Harry C. Piper, Jr., chairman of Piper, Jaffray & Hopwood, has announced that **Wesley J. Anderson**, former vice president and director of Allison-Williams Company, has joined Piper's corporate services department.

* * *

Frederick Winston, international department officer at First National Bank of Minneapolis, has been elected a new director of the Minnesota World Trade Association.

* * *

Harold H. Hammer, vice president of finance with Control Data Corporation since 1966, has been named a director of the firm. Mr. Hammer is a director of the Commercial Credit Company and Northwestern National Bank of Minneapolis.

* * *

The **Northwestern National Bank of St. Paul** has joined the American Express Company's Executive Credit Card Plan.

Under a recently signed agreement, the bank and American Express will offer a jointly sponsored credit card carrying a minimum of \$2,000 line of credit, plus all privileges of the existing American Express card.

The line of credit feature of the new card enables a member to obtain funds at the bank in cash, traveler's checks or credit to his account.

Mid America Bancorporation, new Minnesota multi-bank holding company, has filed with the Securities and Exchange Commission a registration statement covering the issuance of 150,000 shares of common stock for public sale.

Proceeds of the sale will be used primarily to meet some \$1.2 million in debt incurred with the acquisition of Highland Park State Bank in St. Paul.

Mid America also has an agreement to offer shareholders of Valley National Bank, Eagan, 3.4 of its shares in exchange for each Valley share.

The holding company has 2,300 shares outstanding of which **W. G. Andrews**, board chairman, owns 57 per cent, and **Frederick A. McGonigle**, a director, has 43 per cent.

* * *

Howard A. Hansen, comptroller of the First National Bank of St. Paul, has been elected president of the Twin Cities chapter of the Financial Executives Institute.

Virgil M. Dissmeyer, senior vice president in charge of operations at the Northwestern National Bank of Minneapolis, has been elected secretary by the group.

* * *

A new on-line data information system has been installed at the Farmers and Mechanics Savings Bank of Minneapolis to help provide one-stop customer service for more than 260,000 accounts at the bank.

Tellers can process savings and other financial transactions without leaving their booths by using the IBM 1060 teller terminals, which are linked to an IBM System/360 Model 40 computer.

According to **G. W. Bosholm**, vice president and comptroller, "A customer now can complete all his business in just seconds at one teller window or in one department."

Office and work areas for Dykins-Handford, Inc., architects located in



Since 1919

Underwriters and Distributors
of Corporate and
Municipal Securities

ALLISON-WILLIAMS COMPANY

NORTHWESTERN BANK BUILDING
MINNEAPOLIS, MINNESOTA 55402


Phone: 333-3475 (Area Code 612)

Northwestern Banker, June, 1969

Digitized for FRASER

<https://fraser.stlouisfed.org>

Federal Reserve Bank of St. Louis



bankers of the

Big Sky Country

and

Land of Sky Blue Waters

Greetings from the Men of Marquette!

See you at the June conventions

Minnesota—St. Paul Hilton, June 9-11

Montana—Jackson Lake Lodge, June 12-14

Carl R. Pohlad, President

Burton N. Noah, Executive Vice President

Marquette National Bank

SEVENTH AT MARQUETTE, MINNEAPOLIS, MINNESOTA/333-5411
Member Federal Deposit Insurance Corporation



CORRESPONDENT BANK DEPARTMENT: Avery Fick, Vice President ● Otto Preus, Vice President ● Bill Addington, Assistant Vice President ● Lorne Newhouse, Assistant Vice President ● Len Erickson, Assistant Vice President (Credits) ● Doug Peterson, Assistant Vice President (Computers) ● Paul Roche, Assistant Vice President (Investments) ● Don Sand, Assistant Vice President (Investments)

Northwestern Banker, June, 1969

Color Photo Put on Bank Card



FULL COLOR identification of Check Guarantee Card customers of **Midland National Bank**, Minneapolis is available in 60 seconds with this Polaroid equipment now in use at the bank. Color photo of the bank customer is printed directly on the Check Guarantee Card so merchants may verify identity. This card also affords Midland customers an Instant Money Checking Reserve of \$300 to \$5,000. If the Check Guarantee Card is used without the Checking Reserve, the card costs the customer just \$1.00, otherwise the color identification photo card is free.

the **Northwestern National Bank** building, Minneapolis, have been more than doubled with the acquisition of an adjacent office suite. Refurbishing and redecorating is nearly completed in

the new conference room-private office, employee lounge, additional drafting room space and enlarged storage rooms.

The firm specializing in the design

of financial buildings, has expanded its quarters twice since coming to Minneapolis in 1965.

* * *

Edward G. Silbernagel, Grand Rapids, Mich., has joined Bankers' Agency, Inc., St. Paul, as a vice president. Mr. Silbernagel formerly was an assistant vice president of Foremost Insurance Company, Grand Rapids.

* * *

Dennis B. McGrath has been appointed to the new post of director of advertising and public relations for Dain, Kalman & Quail, Incorporated, Minneapolis-based investment banking firm.

Mr. McGrath joined the firm in May and was formerly public relations account executive for Kerker & Associates, Minneapolis advertising and public relations agency.

* * *

First National Bank of Minneapolis has announced the election of **Benjamin B. Crabtree** and **Charles L. Mehlhouse** as assistant secretaries in the equity research division of the trusts and investment management group.

Mr. Crabtree joined First Minneapolis in 1965 as a systems analyst in the operating department and for the past year has been a securities analyst.



New Bank in Brownsdale

Mr. Mehlhouse has advanced through various positions in the commercial banking and operating division at the bank. Since 1966, he has been a securities analyst in the trust investment section.

* * *

Harry C. (Bobby) Piper, Jr., chairman and chief executive officer of Piper, Jaffray & Hopwood, has been elected to a three-year term as a governor of the New York Stock Exchange.

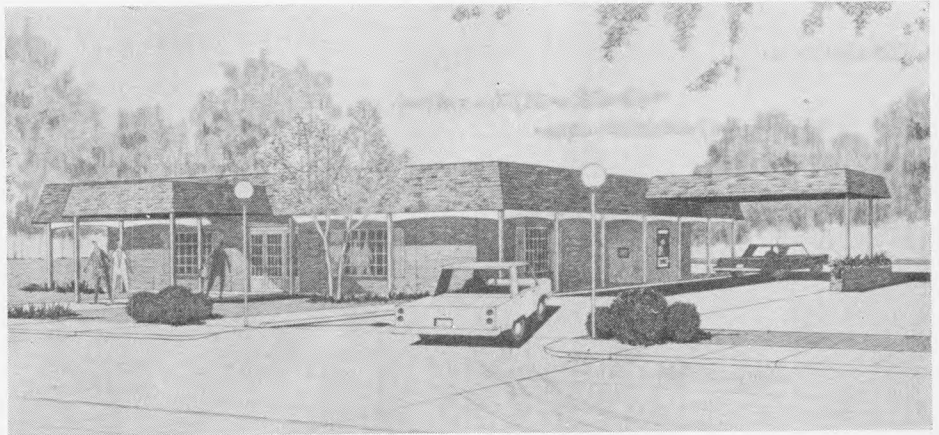


H. C. PIPER, JR.

Mr. Piper previously served as an exchange governor from May, 1963, to May, 1966. He also was a governor of the Association of Stock Exchange Firms from 1952

to 1958 and vice president of that organization in 1958. Mr. Piper, associated with the firm since 1946, became a partner in 1950 and chairman of the directing partners in January, 1967.

Piper, Jaffray & Hopwood, a full-service securities firm, will be celebrating its 75th anniversary in 1970 and is the largest securities firm headquartered in the upper midwest, with



ARTIST'S rendering of new 1st Am. St. Bk. of Brownsdale, which is scheduled for completion September 1. Walkways surround the colonial style structure, which will be carpeted throughout. Main floor will provide 3,200 square feet of area. Drive-in, walk-up and after-hour depository, as well as ample off-street parking, will be available to customers when the new building is completed.

19 branch offices in six midwestern states, in addition to a recently opened office in New York City.

Julian V. Hagberg

Julian V. Hagberg, 72, retired Duluth banker and state leader, died last month en route home from a trip to Georgia.

Mr. Hagberg entered the banking

profession in 1915 when he joined the First National Bank, Duluth. He joined the Duluth National Bank in 1920 as assistant cashier, was named a director of the bank in 1939 and president in 1946. He held that post until his retirement in 1964. After retirement, Mr. Hagberg was named chairman of the board, retiring from this post last year.



BAI Elects New Officers



NEWLY ELECTED officers of Twin Cities Chapter of Bank Administration Institute are shown with outgoing Pres. **Richard E. Stevens**, v. p., Highland Park St. Bk. (left). They are (left to right): **W. Merton Dresser**, v. p., Northwestern Natl. Bk. of Minneapolis; **Robert C. Anderson**, cash., Drivers St. Bk., So. St. Paul, and **Loren Hagemeyer**, aud., Am. Natl. Bk.—incoming pres., v. p. and sec., respectively. **Christ Bjork**, assist. gen. aud., Federal Reserve Bk. (not shown), will serve as treas.

Appointed at Duluth

Lawrence H. Habstritt has been appointed an assistant cashier in the commercial loan department of Northern City National Bank of Duluth, according to C. Glenn Rye, president.

Prior to joining Northern City, Mr. Habstritt served for five years as a bank examiner with First System Services, Inc., in Minneapolis. From 1960 to 1964, he was employed by the Zapp National Bank in St. Cloud, Minn.

Promoted at Coon Rapids

Mrs. Vera Arneson, assistant cashier at the First State Bank of Coon Rapids for the past three years, has been promoted to cashier.

Willmar Bank Expands Services

Large-scale motor banking, the first

in the Willmar area, will be an expanded service of the Bank of Willmar early this summer. In making this announcement, Oscar W. Smith, bank president, said that a multiple drive-in unit is now under construction at the bank.

Utilizing the existing manned drive-in at the west end of the bank building, the auto banking facility will have three remote TV units, and customer parking on adjacent property which is being leased.

The facility's unique two-level design, planned by Dykins-Handford, Inc., architects of Minneapolis, has a canopied roof and also houses the pneumatic tube system from the remote units to the tellers at the TV console inside the bank. The canopy for the TV units will be at a passenger car level, while the cover for the drive-in adjacent to the building will

be high enough to accommodate small trucks and trucks with campers.

As part of a long-range construction program, the present plans include provisions for several additional drive-in stations, which can be added at a later date.

Renamed Insurance Director

Clifford C. Sommer, Minnesota state senator and president of the Security Bank and Trust Company of Owatonna, has been re-elected to the board of directors of the Lutheran Mutual Life Insurance Company in Waverly, Iowa. He also serves on the Finance Committee of the Waverly firm.

New President Named

Donald Stein has been named president of the First State Bank of Spring Lake Park, replacing Robert Dickman. For the past three years, Mr. Stein has served as vice president and cashier of the First State Bank of Coon Rapids.

Mr. Dickman resigned from the bank to go into another field of business.

NASSB Board Completed

Harry Bloom, Colorado's state bank commissioner and new president of the National Association of Supervisors of State Banks, announced last month the appointment of two at-large members to the Association's policy-making board of directors. They are:

G. Allen Patterson, secretary of banking, Pennsylvania.

Robert P. Briggs, banking commissioner, Michigan.

Mr. Patterson, as well, continues to serve as the Association's secretary-treasurer.

The national officers were chosen at the recent annual meeting in St. Louis. In addition to President Bloom, the officers are:

Donald H. Sauer, director, department of financial institutions, Indiana, first vice president.

James M. Hall, superintendent of banks, California, second vice president.

The immediate past president is Philip Hewes, Connecticut's bank commissioner.

The Association's board of directors, now fully constituted as a result of the appointments of Commissioners Patterson and Briggs, will hold its first business meeting in June. The date and site have not yet been determined.

ANYONE CAN PROVIDE DISABILITY AND HOSPITALIZATION PROTECTION . . . THE TRICK IS:

**To Do It Well
To Pay Claims The Day You Get Them
To Keep the Customer Happy!**

GIVE US A CHANCE—READ OUR DIRECT MAILINGS TO BANKERS

MINNESOTA COMMERCIAL MEN'S ASSOCIATION

FOUNDED IN 1905

2550 Pillsbury Ave. S. Mpls. 55404 Ta. 3-7237

Northwestern Banker, June, 1969

Digitized for FRASER

<https://fraser.stlouisfed.org>

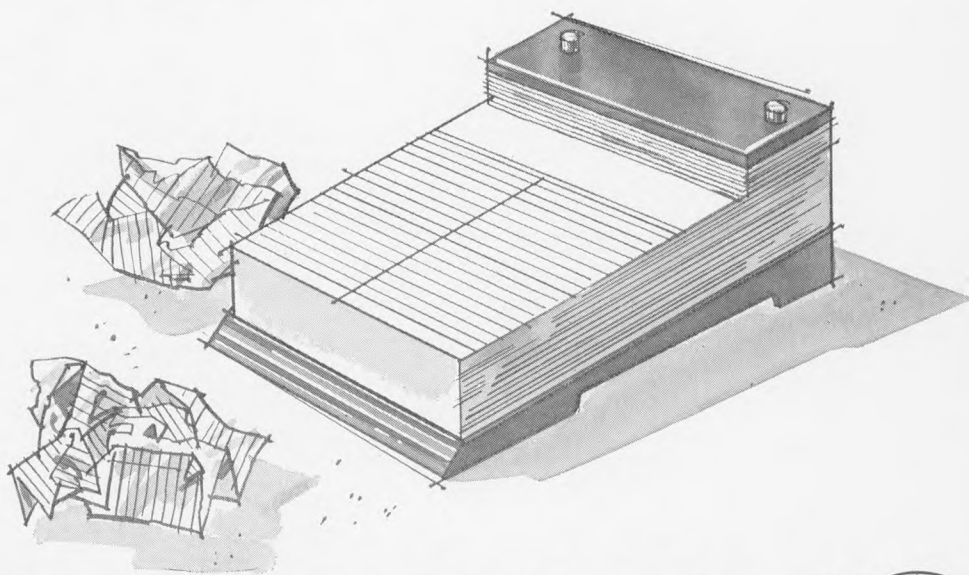
Federal Reserve Bank of St. Louis

Last week...

... we processed over 581,000 transit items, traded Federal funds with twenty-eight banks, converted a demand deposit accounting system to the computer, added four participants to our loan pool, sold five unique municipal bond "puts", analyzed three bond accounts, helped seven banks with new overlines totaling \$542,762, reviewed two wills, found a splendid prospect who wants to sell his bank, made reservations for three hotel rooms in the Twin Cities, and lined up some tickets for a Twins game (which the Twins lost, darn it!)

What can we do for **you** next week?

At last count we had thirty-nine categories of correspondent bank services. Surely some of these services would take care of your needs. Call us. Phone: 612-221-9521.



First National Bank of Saint Paul

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



DIVISION I—BANKS AND BANKERS: Wallace L. Boss: Senior Vice President Donald W. Buckman, James T. Gowan, Richard C. Swanberg: Vice Presidents
E. Roger Cunningham, Laurence R. Kennedy, Henry N. Snyder: Assistant Vice Presidents Philip M. Broom: Division Assistant John F. Mullen: Bond Advisory Specialist Robert F. Donlan, Thomas T. Dwight: Trust Advisory Specialists.

Northwestern Banker, June, 1969

THE NEW FIRST: helping

Now, after 106 years, one of the world's great banks moves into a new sixty-story home.

And there are many changes.

The computers, the electronic calculators, the communication systems are all the most modern available to banks and banking.

Even the address is new:
One First National Plaza.

But one thing stays the same. The helpfulness of our people.

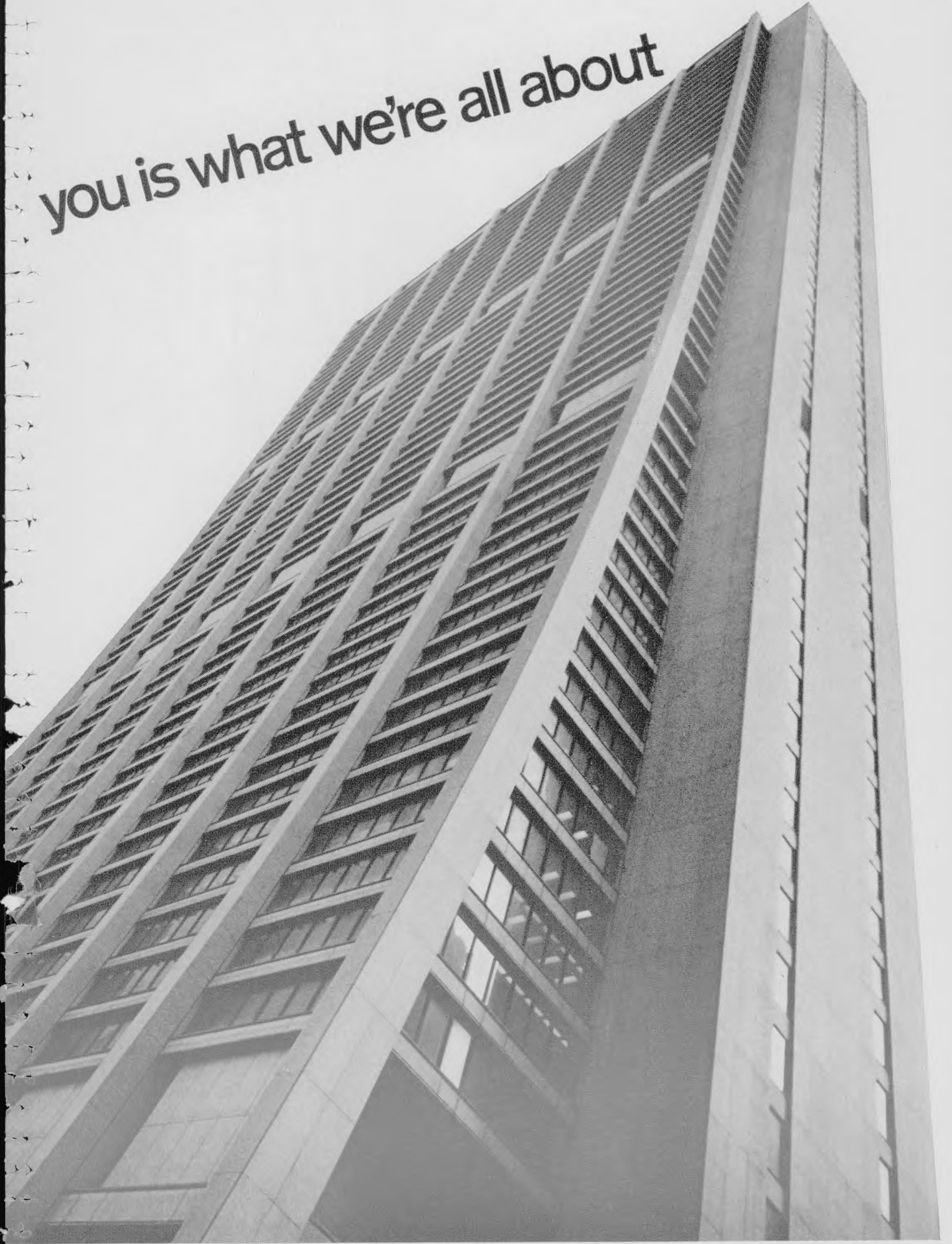
At our bank you will always find people who know how to help you get what you want. And they do want to help.

Come visit the new First.

You'll see why we say helping you is what we're all about.

The 
First National Bank
of Chicago

you is what we're all about



Northwestern Banker, June, 1969



**"That reminds me. Did I tell you about
our participation agreement with Talcott?"**

Most bankers need no reminder at all. They know that, when bank policies or other restrictions keep them from saying "yes," Talcott usually turns the trick. Often packaging several assets to create a collateral base. Always inviting the bank to participate up to 50% in the loan. Other advantages are described fully in "Talcott and Banks." Write for a copy, or call our nearest office and *Talk to the Man from Talcott.*



Talcott

JAMES TALCOTT, INC. • FOUNDED 1854

Commercial & Industrial Financing • Factoring

820 Northwestern Bank Building, Minneapolis, Minn. 55402 • (612) 339-7711

Atlanta • Boston • Chicago • Dallas • Detroit • Hartford • Los Angeles • Miami

Minneapolis • Newark • New York • Philadelphia • Phoenix • Puerto Rico • San Francisco

Northwestern Banker, June, 1969

Digitized for FRASER

<https://fraser.stlouisfed.org>

Federal Reserve Bank of St. Louis



OFFICERS of the South Dakota Bankers Association are pictured above, left to right. Seated: **Robert Petschow**, pres., Corn Exchange Bank, Elkton, now immed. past pres., and **Curtis A. Lovre**, pres., Northwestern Natl., Sioux Falls, new pres. Standing: **Leland L. Steele**, exec. v.p., Farmers & Merchants Bank, Huron, 1st v.p.; **Orville L. Bonacker**, v.p. and cash., 1st Natl., Sioux Falls, 2nd v.p., and **Neil Milner**, exec. secy.-treas., Huron.

South Dakota Bankers Name Curtis A. Lovre As 1969-70 President

By **BEN HALLER, JR.**
Editor

SOUTH DAKOTA bankers were told at their 77th annual convention in Aberdeen last month that they would do well to listen to Willis W. Alexander, Jr., president of the American Bankers Association, when he stresses "the need for you to be involved in the affairs of your community."

Speaking before the second general session of the South Dakota Bankers Association Convention, The Hon. K. A. Randall, chairman of the board of the Federal Deposit Insurance Corporation, recalled his own banking background which includes management of a smaller bank in Utah. Referring to Mr. Alexander, who was recently announced as the new executive vice president of the ABA when he concludes his present term in the fall as president, Mr. Randall stated, "Willis is **your** type of banker and mine—a **great** leader. It **is** necessary for us all to be involved, as Willis urges, in the next 10 years to retain a viable banking system."

Mr. Randall also told the bankers they should recognize that "Washington is the hub of your business. That is where rules and regulations are made in the halls of Congress that affect your business. Therefore, it is vital for **every** banker to get personally involved by being in public office or being acquainted with every one of your elected officials. You must become a responsible, informed

interpreter of national life and our economy to your local community, and be **leaders** in those communities."

Addressing himself to the excuse that politics will hurt business, Mr. Randall recalled that he staked his own reputation and bank future on being campaign manager for Senator Wallace Bennett several elections ago. The voters changed the county vote from a 5,000 Democrat plurality to a 2,500 Republican plurality. The Democrat campaign switched his account to Mr. Randall's bank "because I admire a man who believes enough to take action."

Mr. Randall emphasized the vital necessity of "making sure your Congressman understands the needs of your bank, the changing conditions it faces, and the services you need to dispense in the future, so that he will understand why new laws shouldn't be enacted to hamstring banking." Such repressive action, he indicated, is what leads to static conditions that leave banking in the rear when changes in the financial community are needed.

He made a brief analysis of the Nixon Administration, stating that in the area of prudence and fiscal responsibility, Mr. Nixon must get very high marks. "Priorities and responsibilities are being placed in proper order," he said, "and it is evident that we can't have a war and a butter and eggs economy without

inflation, and Mr. Nixon is intent on halting inflation.

"He represents a new Administration, trying to solve problems, but is faced with the old opposing Congress. So, it's up to all of you to be the interpreter to your Congressmen of the thinking of your local communities."

In his introductory remarks, Mr. Randall apologized for having arrived late (the program was rearranged to accommodate his late arrival) and said it was necessitated by a prolonged, two and one-half hour appearance before Rep. Wright Patman that morning in Washington, since Mr. Patman's House Banking and Currency committee was hearing testimony for the last day on the one-bank holding company legislation.

Just before Mr. Randall's appearance, new officers were elected by the SDBA. Curtis A. Lovre, president of Northwestern National Bank, Sioux Falls, was elected SDBA president to succeed Robert Petschow, president, Corn Exchange Bank, Elkton. Leland L. Steele, executive vice president, Farmers and Merchants Bank, Huron, was advanced to first vice president. Orville L. Bonacker, vice president and cashier, First National Bank, Sioux Falls, was elected second vice president. Neil Milner continues as executive secretary-treasurer.

Robert H. Walrath, vice president of the ABA for South Dakota, and president, First National Bank,

Northwestern Banker, June, 1969



LEFT—Neil Milner, exec. sec.-treas., SDBA, Huron; K. A. Randall, chmn., FDIC, Washington, D. C., and Charles Seaman, South Dakota supt. of banks, Pierre. CENTER—Norm Gustafson, a.c., 1st Natl. City Bank, New York; Bill Wohlenhaus, a.v.p., Natl. City Bank, Minneapolis, and Robert E. Schaeffer, consultant, Bank Building & Equipment Corp., St. Louis. RIGHT—Ronald R. Jenkins, v.p. and cash., Commercial T&S, Mitchell, and Gene Hagen, v.p., Security Natl., Sioux City.

Watertown, presided at the meeting of South Dakota ABA members. Named to serve on the ABA nominating committee at the 1969 convention in Honolulu this fall was Mr. Petschow. Named as alternate nominating committee member was Ray Plowman, president, First State Bank, Armour.

James I. Deam, president, American State Bank, Yankton, was chairman of the committee that delivered the 14 resolutions to the convention. Included were the following:

- Support for the dual banking system and opposing compulsory membership in the Federal Reserve System.
- Support for Allen P. Stults, president of American National Bank and Trust Company of Chicago, in his candidacy for vice presidency of the ABA at the 1970 election.
- Support for equal taxation between state and national banks.
- Request to the SDBA executive council and legislative committee to study one-bank holding companies and advise the ABA Washington office and South Dakota Congressmen

of the SDBA membership's opinions.

Leadoff speaker Harold Pluimer of Minneapolis discussed "The Frontiers of Our Time." His emphasis was on the changes that have resulted because innovations were made, stressing that man can't disregard or be fearful of them, but use these changes to advantage. He listed the frontiers on a gradually upsweeping curve that began a sharp upsweep once it hit the scientific revolution. His chart showed them in this order—electricity, automobile, flight, scientific revolution, DNA, atomic energy, cybernetics, astronautics, and man, the latter with a big question mark.

He said the explosion of scientific knowledge is doubling every 15 years, and is giving us a 10-fold increase every 50 years. To emphasize this point, he stated that a son of Marco Polo, if he had lived until the 20th century, would not have seen as many changes as the son of anyone in the audience has in his short lifetime.

This disturbing change, he said, is what leads to college riots, primarily among those in social studies and humanities who look back and can't

cope with the change. In the future he sees 3D television, 200,000 new products and computer programming as a required course for high school graduation so they will be able to "converse" for further study and work. He said 10 per cent of all money spent today is going for computer building or equipment.

Charles C. Harding, a former banker and now in the financial systems division with National Cash Register Company, Dayton, Ohio, had as his subject, "The Image of Automation for Small Banks." His pertinent remarks related closely to the special automation story in last month's issue.

Lane Palmer, editor of the **Farm Journal**, Philadelphia, Pa., talked about "The Changing Farm." He met head-on many things in agriculture that he feels are myths or at least "fences" that individual farm groups have built around their special interests.

In discussing his publication's well-known farm polls, he described Iowa as being pretty much of a pivotal point for farm philosophy, because of the size of farming industry in the



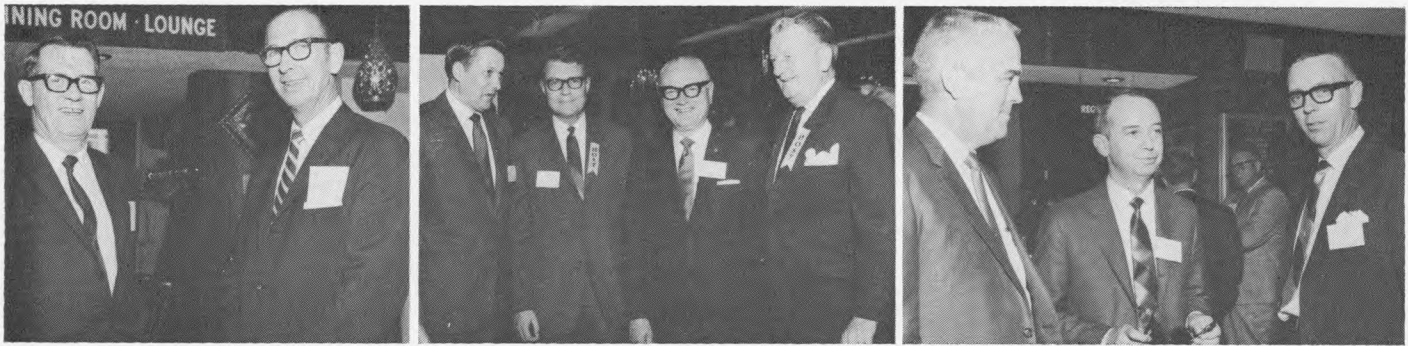
LEFT—Avery Fick, v.p., Marquette Natl., Minneapolis; Sherman Parrott, mgr., Pollock branch of Campbell County Bank; John Riedlinger, cash., Campbell County Bank, Herreid; Paul Roche, a.v.p., Marquette Natl., and Jacob G. Hofer, pres., Campbell County Bank, Herreid. CENTER—Seated: Boyd Hopkins, pres., Live Stock State, Artesian; Mrs. Hopkins, and Dwight Bos, U. S. Check Book, Sioux Falls. Standing: Loren Anderson, U. S. Check Book, Rapid City; Everett Brown, a.v.p., and Dillon Ross, a.c., both with U. S. Natl. Bank, Omaha. RIGHT—Jay LaRusso, asst. treas., Chase Manhattan Bank, New York.

**...so there are the details...
now, can you take \$500,000
of this loan to our customer?**

Yes!

**For the fastest yes (or) in
correspondent banking,
call Irving Trust.**

IRVING TRUST COMPANY
ONE WALL STREET NEW YORK
A Charter New York Bank
MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



LEFT—Arthur H. Davis, pres., Miners & Merchants Bank, Lead, and Don Jackson, v.p., Irving Trust, New York. CENTER—Herman Lerdal, pres., Mitchell Natl., Mitchell; George Dixon, pres., 1st Natl., Minneapolis; George Toft, who recently retired as pres. of Commercial T&S, Mitchell, and George Henry, v.p., 1st Natl., Minneapolis. RIGHT—B. C. Solum, v.p., 1st Natl., Watertown, Ed Newell, v.p., Northwestern Natl., Sioux City, Ia., and David Moore, cash., Vivan State.

state and its long-standing leadership. If one goes each direction from Iowa, he said, farmers tend to become more conservative. Nebraska agriculture, he said, since the development of irrigation, has greatly stabilized.

Mr. Palmer said he told the National Farmers Union leaders in Denver recently, when they were complaining about corporate farming, that these people wouldn't be in farming if it wasn't profitable, and that perhaps this was a message for those who would "sing the blues" about farming. He said the main culprit is the tax laws. Consideration is given to so many other segments of the economy, but the problem is tax laws in relation to farmers. Tax laws, he said, have created great problems in connection with prices. Farmers don't want to give up any of their tax advantages so that high prices would prevail.

The farmer, he maintains, can compete against corporate farming if he will exert enterprise and initiative.

Tom R. Smith, president of First National Bank in Perry, Iowa, gave his excellent ideas on "Building the Community Bank." Mr. Smith is well-known throughout the midwest for his fine presentation on this subject, which stresses development of a competent, enthusiastic staff, dedicated personal service to all customers, and extensive participation in community affairs, as recommended in an earlier talk at the convention by Mr. Randall.

Concluding speaker at the convention was Charles R. Meeker, Jr., president of the Miss Teen Age America organization, Dallas, Texas.

The golf tournament drew 94 entrants on Thursday, despite intermittent rain and continuing high winds throughout the day. The President's Reception was held at the Aberdeen Country Club. The annual banquet and entertainment was pre-

sented in the Aberdeen Arena and Civic Theatre in downtown Aberdeen.

The hosts at the Friday noon luncheon for all delegates were the First National Banks in Watertown and Aberdeen, First National Bank of the Black Hills in Rapid City, and Northwestern National Bank of Sioux Falls.—End

Announces Personnel Shifts

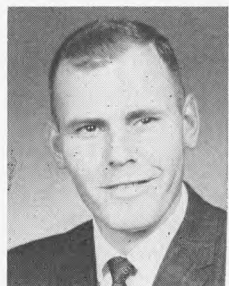
Curtis Lovre, president of Northwestern National Bank of Sioux Falls, announced last month that expansion of business in the Brookings area and particularly rapid growth in trust business there has prompted three important changes in personnel.

Don Robinson, vice president, who has been with the bank since 1946 and manager of the Brookings office since 1959, has been named trust officer at Brookings and will handle all of this business formerly taken care of by trust officers from headquarters in Sioux Falls.

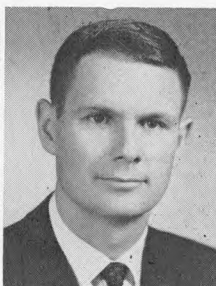
Succeeding him as Brookings manager is John Lasher, who has been with Northwestern since 1955 and was elected in 1963 as vice president and manager of the Huron office. The managership at Huron has been as-



D. ROBINSON



J. LASHER



W. T. LARSON

signed to William T. Larson, who has also been elected vice president. Mr. Larson joined the bank in 1962 and has been assistant manager at Huron since 1966.

Other changes made by the board of directors last month include: Harry Birath, assistant vice president, Brookings, assigned to head office branch credit department; Sid Bostic, Brookings, elected assistant vice president and assistant manager; Gerald Wethor, main office, elected assistant vice president and assistant manager, Madison; Gary Olson, Madison, elected assistant vice president and assistant manager, Huron office, and H. John Peckham, Jr., elected to main office business development department, succeeding David W. Armstrong, who has resigned to join a bank in Colorado.

Marks 25 Years

The Leola State Bank, Leola, recently held an open house to celebrate its 25th anniversary.

Since the bank opened for business on May 15, 1944, deposits have grown to approximately \$4 million.

Elect New Director

Lester Dennis of Mellette has been named to the board of directors of the Farmers and Merchants Bank of Aberdeen. Mr. Dennis is a native of Spink County and has farmed near Mellette all his life.

To Join Miller Bank

Taunce Mathiason will join the staff of the First National Bank, Miller, September 1.

Mr. Mathiason is currently serving on the teaching staff of Miller High School, where he has been employed since the beginning of the 1966-67 school term. He is a graduate of Northern State College, where he will complete work for his master's degree this summer.



around money the finest is **"STEEL-STRONG"**
 TRADE MARK ®

- 1 AUTOMATIC COIN WRAPPER**
 Amounts and denominations automatically indicated by patented "red bordered windows". Amounts in windows always in register... eliminates mistakes. Accommodates all coins from 1c to \$1.00.
- 2 TUBULAR COIN WRAPPER**
 Especially designed for machine filling... a real time-saver. Packed flat. Instant patented "Pop Open" action with finger tip pressure. Denominations identified by color coding... 6 different standard colors.
- 3 RAINBOW COIN WRAPPER**
 Color coded for quick, easy identification. Red for pennies... blue for nickels... green for dimes... to indicate quantity and denominations... eliminates mistakes. Tapered edges.
- 4 DUZITALL COIN WRAPPER**
 Extra wide... extra strong. Designed for areas where halves are wrapped in \$20.00 packs... "red bordered window" for ease of identification. Accommodates \$20.00 in dollars, \$20.00 in halves. Tapered edges.
- 5 OLD STYLE COIN WRAPPER**
 Basic coin wrapper in extra strong kraft stock. Printed in 6 different standard colors to differentiate denominations. Triple designation through colors, printing and letters. Tapered edges.
- 6 KWARTET COIN WRAPPER**
 Wraps 4 denominations in half size packages. A miniature of the popular "Automatic Wrapper"... 25c in pennies, \$1.00 in nickels, \$2.50 in dimes, \$5.00 in quarters.
- 7 FEDERAL BILL STRAP**
 Package contents clearly identified on faces and edges by color coded panels with inverted and reverse figures. Made of extra strong stock to assure unbroken deliveries. Only pure dextrine gumming used.
- 8 COLORED BILL STRAP**
 Entire strap is color coded to identify denomination. Printed amount appears on top and bottom of package. Extra wide for marking and stamping. Extra strong stock for safe delivery and storage. Pure dextrine gumming.
- 9 BANDING STRAPS**
 Ideal for packing currency, deposit tickets, checks, etc... do not break or deteriorate with age. Size 10 x 7/8 inches and made of strong brown Kraft stock with gummed end for ease of sealing. Packed 1000 to a carton.

SEE YOUR DEALER OR SEND FOR FREE SAMPLES
THE C. L. DOWNEY COMPANY • HANNIBAL, MISSOURI • DEPT. N

Northwestern Banker, June, 1969

Grand Opening at New Lemmon Bank



GRAND OPENING was held recently in the new bank building of the 1st Natl. Bk., Lemmon, pictured above.

THE First National Bank of Lemmon held the grand opening of its new bank building last month.

New features of the building include a hearth room with fireplace, color television and lounge area, plus complete meeting facilities including kitchen; drive-in window on the south of the building; new 6,000 square foot parking lot at the east side of the structure; night depository, and new safe-deposit area.

A unique feature of the new bank is a brand board which covers the entire south wall on the main level of the building and comprises almost 600 brands of area ranchers.

The First National has been in business in the Lemmon community since 1908. Officers at the bank include: James Howard, vice president; Dale Rogers, assistant vice president; W. E. Coats, assistant vice president and manager of the insurance department; E. C. Svihovec, cashier; Gerald Hintz, assistant cashier and manager, time-pay department, and Phil Blank, ag representative.

Name New Bonds Chairmen

During the recent South Dakota Bankers Convention two new volunteer county chairmen were added to the United States Savings Bonds Committee. State Chairman M. J. Colton, executive vice president of the National Bank of South Dakota, Sioux Falls, presented an appointment certificate to Francis Card, president, Dewey County Bank, who will serve as Dewey County Savings Bonds chairman.

Regional Savings Bonds Coordinator Al Kuszmaul, executive vice president, First National Bank, Pierre, presented the certificate of appointment for the

Lyman County chairmanship to Myron Nelson, vice president and manager, National Bank of South Dakota, Presho.

Buy Miltona Bank

Controlling interest in the Miltona State Bank at Miltona has been sold to Richard A. Fait, Canton, S. D., public accountant, and C. L. Anderson, Sioux Falls, S. D., attorney.

The two men purchased all of the shares in the bank except those owned by directors, and it is expected that a new managing officer will be announced in the near future.

Mr. Fait and Mr. Anderson also have other banking interests in the state.

American Express Starts 2 New Cheque Services

American Express Company announced two new services last month. The first is "Refund 365" and the second is "Travelers Cheque-by-Mail."

With "Refund 365," if a customer loses his cheques on a weekend or holiday when everything is closed, he can call Western Union Operator 25. The operator will give him a special New York number which he can call from any place in the U. S. for only 10 cents. The special number will connect him directly with the American Express Inspector's Office in New York.

An American Express Inspector will verify the claim, give the customer the address of the nearest Western Union office and immediately call that office to arrange an emergency refund.

The special "Refund 365" phones in New York will be manned from 6 a.m. to 8 p.m., seven days a week—365 days a year.

"Travelers Cheques-by-Mail" is a new service being offered by more than 1,400 banks nationwide at the start of the 1969 high travel season. It is designed mainly for a bank's regular checking account customers.

The innovation enables a bank to sell travelers cheques without requiring customers to come in personally. The cheques will be delivered by mail when a customer sends his bank a simple form accompanied by a check drawn against his account.

American Express said its new system is designed to permit banks to gain extra revenue, and to save on manpower as well. It is also a new, convenient way to promote "His and Her" cheque sales to husbands and wives. This can be done easily by sending separately filled in order forms with a single check to cover the total amount.

A special feature of the system enables banks to take advance orders and make deliveries on dates specified by their customers. This encourages customers to plan ahead and avoid a last-minute dash to the bank just before departing on a trip.

Customer applications for cheques come to the bank through ordinary mail, while deliveries to customers are made by certified mail—return receipt requested.

Banks will make a 75-cent delivery charge for each transaction, regardless of the amount purchased. About 60 cents of this represents expense for postage and handling, leaving about 15 cents as extra revenue to the bank, in addition to its regular 66% per cent of the commission.

Marketing the new service entails no cost to banks. Promotional material is supplied by American Express without charge.

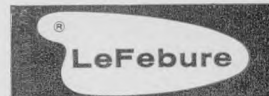


To a thief it's a stop sign.

Protection against burglary and hold-up.



The LeFebure protection sign warns the criminal, often deters him. And that's mighty important when you consider that bank crimes have tripled in the past ten years. LeFebure Alarm Systems protect your bank against burglary and hold-up. Silent hold-up alarms, burglar alarms, cameras and triggering devices can be adapted to either manual or automatic systems. A nationwide, 24-hour maintenance service is available. If you'd like a LeFebure protection sign . . . and all the security that goes with it . . . talk to your LeFebure man. *LeFebure Corporation, Cedar Rapids, Iowa 52406*



Subsidiary of
Walter Kidde & Company, Inc.

LeFebure . . . complete banking facilities from scratch.



NEW OFFICERS—Seated are 1st V.P. **Robert V. Wells**, pres., Security St. Bk., Robinson, and Pres. **Al K. Simpson**, pres., Merchants Natl. Bk. and Tr. Co., Fargo. Standing are Treas. **Theo W. Sette**, pres., St. Bk. of Burleigh Co. Tr. Co., Bismarck; 2nd V.P. **Ted A. Solheim**, pres., American St. Bk., Minot, and **William J. Daner**, who was re-elected secretary and general counsel.

Al K. Simpson Heads North Dakota Bankers

By **MALCOLM K. FREELAND**
Publisher

A BANK robbery isn't normally scheduled to coincide with a bankers' convention, but it seemed to be at the 84th annual convention of the North Dakota Bankers Association last month. Immediately preceding the start of the registration, the drive-in facility of the Valley Bank in Grand Forks was held up.

The unfortunate event sparked additional interest in the opening address on the "Bank Protection Act and Regulation P" by Roger B. West, supervising examiner of the Federal De-

posit Insurance Corporation, Minneapolis. (Valley Bank must have received an advance copy. The gunman was caught just two and one-half

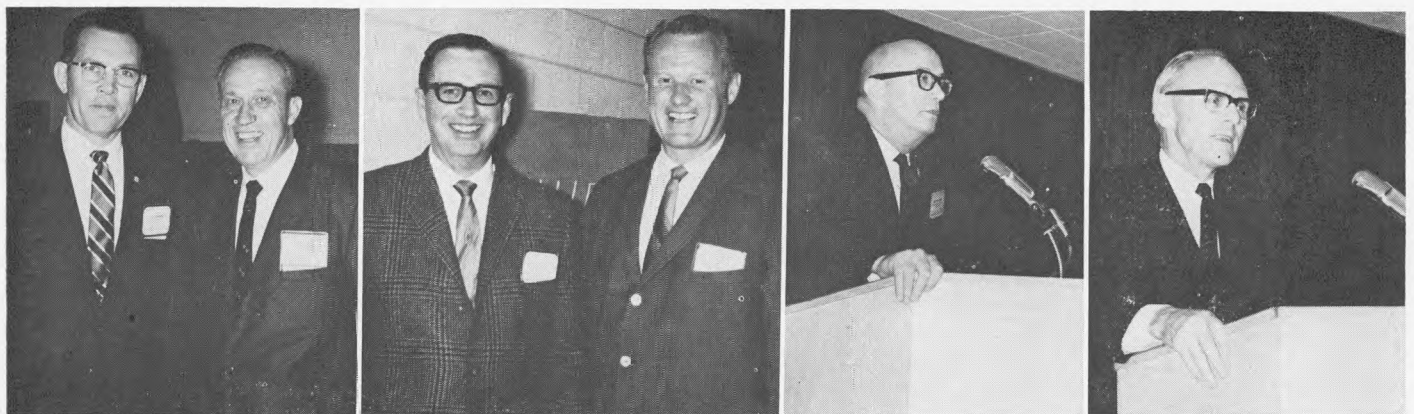
Al K. Simpson, president, Merchants National Bank and Trust Company, Fargo, moved up from first vice president to president of the Association. Elected to assist Mr. Simpson were: First vice president, Robert V. Wells, president, Security State Bank, Robinson; second vice president, Ted Solheim, president, American State

Bank, Minot, and secretary-general counsel, William J. Daner. Edward L. Olson, senior vice president, First National Bank in Grand Forks, is the retiring president. Theo. W. Sette, president, State Bank of Burleigh County Trust Company, Bismarck, is the new treasurer, replacing A. Ned Mayer, president, The Dakota National Bank, Bismarck.

Well-known government leaders occupied the key speaker role. In addition to Roger B. West of the FDIC, John C. Kimball, southeast Asian expert with the U. S. State Department; U. S. Senator Quentin Burdick, and U. S. Representative Thomas Kleppe addressed delegates.

Bank Protection

Mr. West reviewed the highlights of the Bank Protection Act, reminding bankers that there are three basic requirements: (1) a lighting system capable of illuminating the vault, (2) tamper-resistant locks on outside



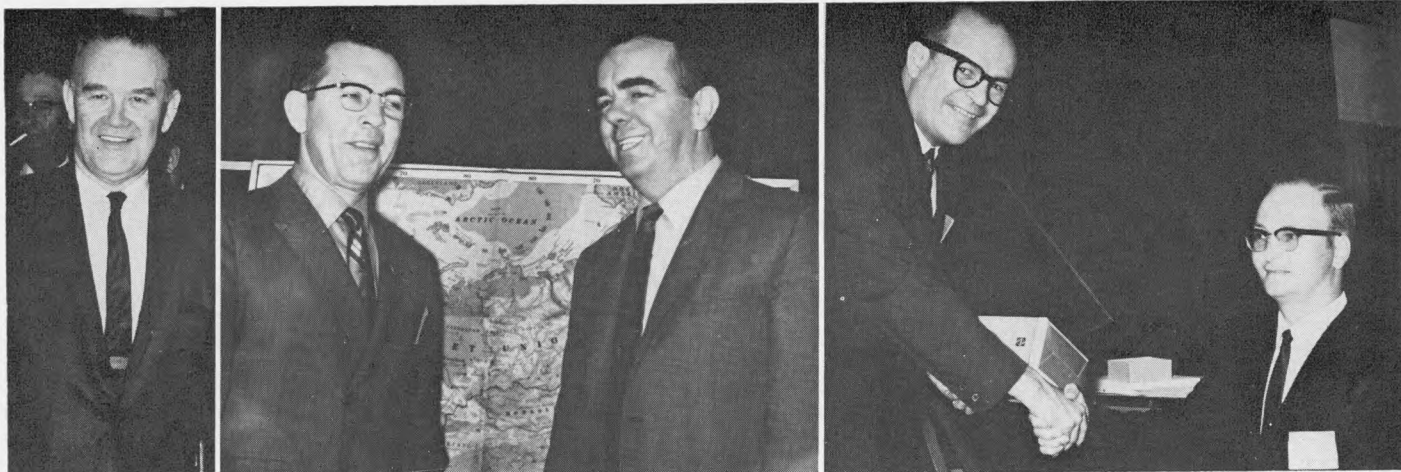
SOUTH MEETS NORTH—New NDBA Pres. **Al K. Simpson** is shown with **Curtis A. Lovre**, pres., South Dakota Bankers Assn., and pres., Northwestern Natl. Bk., Sioux Falls. **LEFT CENTER**—**Robert L. Barsted**, v.p., First St. Bk., Harvey, and **John E. Raymond**, a.v.p., First Natl. Bk., St. Paul. **RIGHT CENTER**—Pres. **Edward L. Olson** presiding at 84th convention. **RIGHT**—The Honorable **Thomas Kleppe**, U. S. repr. from South Dakota.

Northwestern Banker, June, 1969

Digitized for FRASER

<https://fraser.stlouisfed.org>

Federal Reserve Bank of St. Louis



LEFT—The Honorable Quentin Burdick, U. S. Senator from North Dakota. CENTER—New NDBA Pres. Al K. Simpson with John C. Kimball of the U. S. State Dept. RIGHT—Secy. William J. Daner presents door prize to Charles Swenson, a.e., Northwood St. Bk.

doors, and (3) an alarm system or other device capable on giving notification of a burglary. He also reviewed the regulations concerning adoption of procedures.

Asian Policy

Special interest was shown in the talk given by John Kimball, reputed to be the fourth-ranking man in the U. S. State Department. Mr. Kimball reminded bankers that there are no simple solutions in establishing foreign policy. He said that there have been differences of opinion between U. S. and Asian leaders on bombing policy and diplomatic tactics — but Asian leaders do not question U. S. commitments in southeast Asia.

Bankruptcy Act

Senator Burdick keyed his talk to the necessity for updating the Federal Bankruptcy Act, which was originally passed in 1898. He says that it has been amended some 90 times and that the first (and last) major revision was made in 1938. The advent of credit cards and other forms of new credit tools make it mandatory to update the bankruptcy regulations, according to Senator Burdick. He says that over five million people are involved in bankruptcy cases each year, and 92 per cent of the total bankruptcies are on a personal basis. He expressed the need for increased credit counseling and consumer education. Referring to a study currently being conducted by the Brookings Institute, he said that the findings will be available in early 1970. He is continuing to introduce legislation for the establishment of a commission to study revisions for the bankruptcy act.

Washington Scene

Representative Kleppe elaborated on

the Administration's fight against inflation. He charged that the United States has been suffering from "fiscal malnutrition." He predicted that the surtax will continue on the basis of 10 per cent for the balance of 1969 and then be reduced to 5 per cent for the first six months of 1970. Cancellation of the 7 per cent tax credit is a certainty, according to Representative Kleppe.

Turning to the broad subject of tax reform, Representative Kleppe said that the following measures are being considered by the House Ways and Means Committee: (1) taxation of income received by foundations, (2) closing of loopholes for people in the "million dollar income bracket," (3) elimination of income tax for 2,000,000 low income taxpayers, (4) a change in the oil depletion allowance, (5) a change in the capital gains structure by possible extension of time from minimum of six months to one year, and (6) a tighter requirement on absentee owners of farms in offsetting farm losses against other income.

Mr. Kleppe touched on the subject of the removal of Abe Fortas from the U. S. Supreme Court. He suggested that this move may be the first in a series of steps to clean house in Washington. Findings on Associate Justice Douglas may be equally bad, according to Representative Kleppe.

Conclusion

SDBA President Edward L. Olson concluded the meeting by reviewing the 1969 legislative year in which over 75 bills affecting banking were covered. He reminded delegates that although a universal credit bill did not come up this year, it is bound to come up in the future.

The Association currently has every one of the 168 banks in North Da-

kota as members. Next year the convention is scheduled for Minot. Delegates to the ABA this fall will be ABA State Vice President Gordon Weber, president, Farmers State Bank, Lisbon, and Al Simpson, SDBA president and member of the ABA nominating committee.

New President Named

Clayton B. Schmidt has been named president and cashier of the Liberty National Bank and Trust Company,



C. B. SCHMIDT

Dickinson. He succeeds Eugene Oakland, who resigned to join a group founding a new bank in Billings.

Mr. Schmidt, a native of New Salem, N. D., started his career in banking with the First National Bank, Dickinson and Belfield. In 1940, he joined the First National Bank, Bismarck, and was appointed assistant cashier in 1955. He transferred to the Wahpeton National Bank in 1960 as vice president and in 1964 became associated with the McIntosh County Bank at Ashley, where he was executive vice president.

Sells Leeds Bank

Mrs. Arne A. Gregor has announced the sale of the Farmers State Bank of Leeds to Virgil L. Hegeholtz of Fargo, N. D., and Dale Streyley of Enderlin.

Both men are experienced bankers. Mr. Hegeholtz is the 1964-65 past president of the North Dakota Bankers Association, and Mr. Streyley is currently vice president of the Peoples and Enderlin State Bank.

Profit



Almanac

A sense of clear communication aids your changes under "Truth In Lending."

TRUTH IN LENDING, or Federal Reserve Regulation Z, goes into effect July 1, 1969. Designed to offer full disclosure of credit costs to borrowers, the regulation includes *all* real estate credit transactions for any amount, and personal, family, household or agricultural credit under \$25,000. Hence, all customer communication is changed—from your forms to your advertising. And, of course, changes must occur.



And what of communication to your employees? Do they understand what *Truth In Lending* is all about? Especially those who don't work in credit. They need to know how to refer customers to credit in the proper way. And, what they mean.

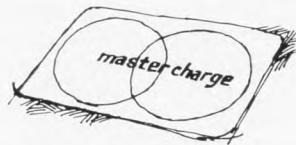
If you're running into unexpected problems—whether in your advertising programs, the clarity of your forms, educating your employees or just wish to see samples of our material—just drop us a line. Quite possibly we have some information or have run into a similar experience and could help. Remember—a thorough

understanding and communication of this change by all will mean a smoother change.



Most men need two women: a secretary to take everything down and a wife to pick everything up.

—Farmers' Almanac



MASTER CHARGE starts its consumer campaign early in July. After a very successful merchant campaign resulting in close to 5,000 signed merchants in Colorado, Wyoming, Montana and New Mexico, Master Charge will commence the largest consumer campaign ever in the Rocky Mountain region.

The thrust of the consumer program is to be a well-controlled mailing to 400,000 families who are customers of the 140 banks in the Master Charge system. This mailing will represent 700,000 cards. The Denver U.S. National wishes the very best of luck to all participating banks during this exciting period.



A friend is a person who knocks before he enters, not after he has taken his departure. —Farmers' Almanac

PERSONNEL POLICIES grow more important as every bank expands. Especially for smaller banks. As a bank expands, its "divisions of labor" should become more defined. This is good—but not only for the smooth internal flow of bank operations—but to generate interest for veteran employees as well as new ones. Here are some points to take into consideration regarding employee policies:

1. Job Descriptions
2. Performance Evaluations
3. Salary Guidelines
4. General Personnel Policy Statements
5. Vacation Policy
6. Benefit Programs

When bank policies and objectives—whether customer or employee—are vague or ill-defined, it can show in employee relationships and the efficiency of your internal flow. At Denver U.S. National we would be glad to discuss any personnel problems you foresee or now have. Or perhaps review any of your existing programs. Let us know if we can be of some help.



A fad is something that goes in one era and out the other.

—Farmers' Almanac



DENVER U.S.
"that's the bank for my money"
DENVER U.S. CENTER - DENVER, COLORADO 80217

Colorado News

D. E. SCOTT
President
Colorado Bankers Association
Steamboat Springs



Re-enters Denver Banking

Stewart Cosgriff has re-entered Denver banking as a director and chairman of the executive committee of the Colorado State Bank.

Mr. Cosgriff, a 1924 graduate of the University of Colorado, began his banking career in Salt Lake City. He also has served as vice president, president and chief executive officer of the Denver National Bank, and chairman and chief executive officer of the Denver U. S. National Bank. He joined the First Western Bank and Trust Company, Los Angeles, in 1960 as senior vice president and a director. Later he was vice chairman of the board, president and chief executive officer. In 1966, he became chairman of the executive committee and served in that capacity until retiring in January.

Promotes Five

Five officers of the Guaranty Bank and Trust Company, Denver, have been promoted from assistant cashiers to assistant vice presidents. They are: Alverize J. Brin, Carrold E. Burns, Miss B. LaRue Orullian, Richard C. Williams and Orville C. Winstead.

Former Bank President Given Prison Term

The former president of the defunct Home Industrial Bank of Aurora has been sentenced to a five-year prison term after being convicted of mail fraud. Frank A. Blosser, now a real estate developer in Florida, was sentenced for convictions stemming from the collapse of the bank nearly five years ago.

Purchase Boulder Bank

Purchase of controlling interest in the Security Bank of Boulder by H. Lee Sturgeon has been reported to Colorado Bank Commissioner Harry Bloom. Selling the bank was Robert Wekesser, Lincoln, Nebr., who also owns other banks in Nebraska. Mr. Wekesser had been serving as president of the Boulder bank.

Mr. Sturgeon is a former director and president of the Rocky Ford National Bank. He moved to Boulder

several months ago and became vice president of the National State Bank. He later was engaged in a dispute for stock control of the National State and ultimately sold his interest in the bank.

First Quarter Assets

First National Bancorporation, Inc., which became a registered bank holding company last October, wound up the first quarter of 1969 with total assets of \$586,194,454. Combined assets of the Bancorporation banks a year ago were \$541,582,248, making this year's total more than \$44.6 million higher.

Operating earnings were \$1,284,892, equal to 86 cents per share, compared to 70 cents per share for the same period a year ago. Deposits of the four banks at the end of the quarter stood at \$511,344,975, a gain of more than \$30.98 million in the year.

Join Golden Bank

Two men have been added to the staff of the Golden State Bank, according to Arch J. Cueny, president. They are Lewis O. Smith of Golden and Dan L. Short of Springfield, Mo.

Mr. Smith was employed at the Continental National Bank in Englewood, Colo., before joining the Golden Bank. Mr. Short, named assistant cashier at the bank, has had nine years of banking experience with the Cornerstone Bank, the State Bank of Noel and the Empire Bank of Springfield, Mo.

Denver Banks Set Deposit Record

Money on deposit in the 53 commercial banks in Denver and its suburbs as of the close of business on April 30 stood at \$2,230,332,995.

A bank-by-bank survey showed that nearly every bank in the area had larger deposit totals than they did on a comparable date a year earlier, although the total was down from the 1968 year-end all-time record.

The most recent "bank call" is one of the latest ever issued for the first part of any year. The spring bank calls for the two years prior to 1969 were for the last banking day of

The Colorado Bankers Association's annual convention was being held in Colorado Springs as this issue was being printed. A report on the convention will be published in a later issue.

March, before the April 15 deadline for paying income taxes.

Despite the later date, the April 30 deposit total was almost \$238.7 million ahead of the spring 1968 total and \$402.26 million more than two years earlier.

Continuing as the largest unit bank in the Rocky Mountain West is the First National Bank of Denver. Its most recent total of \$495,091,023 was almost \$30 million higher than in March.

Retires from Denver Bank

Max Sherman, who joined the American National Bank, Denver, at the age of 15 as an office boy, retired last month after 50 years on the job. He retired as an assistant vice president to the operations department.

Mr. Sherman had been with the bank longer than anyone else except Adolph Kunsmiller, board chairman.

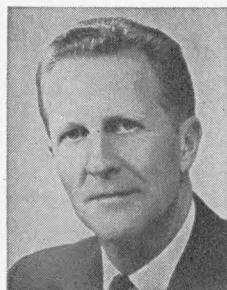
Given World Trade Award

Homer J. Livingston, retired chairman of The First National Bank of Chicago, received the annual award of the Mississippi Valley World Trade Council in ceremonies climaxing the Council's 24th annual conference in New Orleans last month.

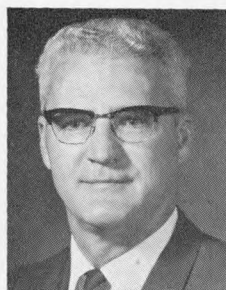


Homer J. Livingston (center) receives Mississippi Valley World Trade Council award from Congressman Edwin W. Edwards (left) and James E. Fitzmorris, Jr. (right), award chairman for the Council's 24th annual conference at New Orleans.

The award is presented each year to a man whose contributions to the advancement of world trade have singled him out for recognition by the conference of import-export representatives.



M. E. FISHER



R. S. ALLEN



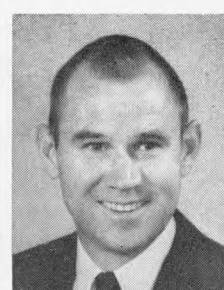
F. BUCHENROTH



E. J. HAINES



R. GUFFEY



J. W. PEARSON

Wyoming Bankers Association 61st Annual Convention

Jackson Lake Lodge

June 12-14, 1969

THHEME of the 61st annual convention of the Wyoming Bankers Association this month will be "A Look to the Future." The convention will be held again at Jackson Lake Lodge at Jackson Hole, June 12-14.

The "Look at the Future" will include filmed highlights of Apollo manned space flights, and talks by a young Wyoming leader, an industrialist and a Congressman.

Max E. Fisher, president of the association and president, First National Bank of Laramie, will preside at the business meeting. Serving as vice president this year and scheduled to move up to the presidency is R. Sam Allen, president of the Shoshone-First National Bank in Cody. Treasurer is Felix Buchenroth, Jr., president of Jackson State Bank in Jackson. E. J. "Woody" Haines, executive vice president of First National Bank in Laramie, is secretary.

In his notice to members of the meeting, Mr. Haines noted a different format in the program. A new attraction this year will be a Fishing Derby, in addition to the men's and women's golf tournament at Jackson Hole Golf Club. The complete program follows:

THURSDAY, JUNE 12

A.M.

9:30 Fourth Annual WBA Golf Tournament—Jackson Hole Golf Club.

8:30 to 4:00 p.m. First Annual Fishing Derby—Colter Bay.

P.M.

5:30 Get Acquainted Social Hour—Lodge Pool Side.

7:00 Indoor Picnic—Lodge Convention Area—Casual Clothes.

FRIDAY, JUNE 13

A.M.

9:30 Call to Order.

Presentation of Colors—Jackson Boy Scouts.

Invocation—Rev. Philip Zimmers, Pastor, St. John's Episcopal Church, Jackson, Wyoming.

Address of Welcome—Conrad Schwiering, Nationally Famous Jackson Hole Artist, Jackson, Wyo.

"Washington Report—Today and Tomorrow"—Honorable John Wold, United States Congressman, State of Wyoming.

President's Address and Annual Report—Max E. Fisher, President, First National Bank, Laramie.

10:45 Coffee Break.

"Count Down on Truth in Lending"—Roger Guffey, General Counsel, Federal Reserve Bank, Kansas City, Missouri.

"'69 High School Graduate's View to Future"—John Stewart, Jr., Eagle Scout Region 8 BSA Report of the President, Brighton, Colorado.

Noon

12:00 Ladies' Luncheon—Presentation of Women's Golf awards

Entertainment: "World Campus Afloat" by Jane Bond & Sue Fisher.

P.M.

12:30 Men's Luncheon—Presentation of Men's Golf and Fishing Awards.

P.M.

1:30 Reconvene.

"Economic Development and Wyoming's Quality Environment"—John C. Williams, Assistant Chief of Industrial Development, Wyoming Natural Resources Board, Cheyenne, Wyo.

"Apollo Up to Date"—Norman B. Watten, Senior Research Engineer, Apollo Space Division, North American Rockwell, Downey, Calif.

Report of Executive Council, A.B.A.—Jack W. Pearson, president, First National Bank, Lovell.

Resolutions Committee Report—Harmon H. Watt, president, First National Bank, Riverton.

Nominations Committee Report—Max C. Robinson, executive vice president, Star Valley State Bank, Afton.

Election of Officers:

American Bankers Association.

Wyoming Bankers Association.

4:30 Adjournment.

5:30 Social Hour—Sun Deck.

7:00 61st Annual Banquet.

Installation of Officers.

Entertainment by the U. S. Army Soldiers of Song, Washington, D. C.

9:00 Dancing.

Saturday, June 14

A.M.

8:30 Peeps (Past Presidents) Breakfast.

9:30 Call to Order.

Executive Council Session—Open to all registrants. Report of William A. Smith, Legal Counsel, First National Bank, Riverton, concerning problems involved in dual ownership of time certificates.

Other Executive Council and Association business.

11:00 Adjournment.—**End.**

CREATIVE *Thinker*

For First Of Tulsa Correspondents . . .



**First Specialist Dick Wagner
Senior Vice President In Charge Of Division H
(Correspondent Banks). Your Contact
For Full Service Thinking.**

Dick Wagner is a resourceful professional banker. He's the head of a First team of banking specialists who travel thousands of miles each month. He gathers facts, exchanges ideas, takes a first-hand look at correspondent problems . . . correspondent needs.

The insight he gains supplies direction to our large staff of creative

specialists . . . experts in every phase of banking procedure. These men are devoted to the development of original programs, unique services and efficient problem-solving methods to benefit correspondents and their customers.

When you want full service thinking, contact Dick Wagner — a creative head full of "capital ideas." Call 918 587-2141.

you deserve MORE...Think First!

**THE FIRST NATIONAL BANK
& TRUST COMPANY of TULSA**

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



Northwestern Banker, June, 1969

You Will See Them at the 61st Annual Wyoming Convention

THE following metropolitan bankers, service and equipment dealers have indicated they will be attending the Wyoming Bankers Association Convention in Jackson, June 12-14:

Chicago

American National Bank & Trust Company: William B. Aldrich, second vice president.

First National Bank of Chicago: Raymond V. Dieball, assistant vice president.

Denver

Central Bank and Trust Company: Don Echtermeyer, vice president, and John Edmiston, assistant vice president.

Colorado National Bank: Bruce M. Rockwell, senior vice president, and W. J. Fleming, assistant vice president.

Denver United States National Bank: Don Ferrel, vice president, and Paul Christensen, loan officer.

First National Bank of Denver: Philip J. Hogue, vice president, and L. William Marrin, assistant cashier.

Kansas City

City National Bank & Trust Company: Jack E. Beets, assistant vice president.

First National Bank & Trust Company: A. S. Chaves and Roger L. Cunningham.

Los Angeles

United California Bank: J. C. Strivers and James H. Heaton, vice presidents.

Omaha

First National Bank of Omaha: Don R. Ostrand, vice president.

Stockyards National Bank: D. J. Murphy, president; C. W. Means, senior vice president, and F. J. Sibert, vice president.

The Omaha National Bank: R. E. Johnson, senior vice president, and Fred Douglas, vice president.

United States National Bank: Ed Lyman, president; Jay Borde-

wick and Howard Nielsen, vice presidents.

New York

Chase Manhattan Bank: William J. Connellan, second vice president, and wife.

First National City Bank: Robert Stokes, assistant cashier.

Manufacturers Hanover Trust Company: Carl G. Carlson, assistant vice president.

San Francisco

Bank of America: B. G. Fransted, vice president.

Wells Fargo Bank: Hans J. Lund, vice president, and wife.

Tulsa

First National Bank & Trust Company: Dick Wagner.

Bank Equipment and Other Firms

Diebold, Inc.: Rudy King.

Mortgage Guaranty Insurance Corporation: Charles W. Morris.

Mosler Safe Company: Carl Strickrott.

National Fidelity Life Insurance Company: Hal Coulson and Jerry Elliott.

Deposit Totals for All Wyoming Banks Are Listed

Deposits in Wyoming's 70 commercial banks moved nearer to the magical three-quarter billion mark at the close of the fourth quarter ending December 30, 1968, according to figures released by State Examiner Dwight D. Bonham.

Wyoming banks reported \$703,044,566 of deposits at the 1968 fourth quarter closing for a \$76.5 million increase over the \$638,514,680 total at the end of 1967.

First National of Casper continued to outdistance its nearest rival, Wyoming National, also of Casper, as the financial leader among state banking houses. First National deposits soared

to \$64.2 million at the year end of 1968 compared to \$63.4 million reported by Wyoming National to hold a \$1.8 million deposit margin.

Casper's five banks maintained their dominant role in the state's financial picture. The five banks held \$136.2 million deposits to retain approximately 20 per cent of deposited monies resting in state banks.

Wallace E. Pearson, chairman of the board of the First National Bank of Lovell, has died at the age of 81, following a heart attack.

Mr. Pearson had been a resident of Lovell for 51 years and was a former officer of the American Bankers Association and had served as president of the Wyoming Bankers Association.

He joined the Lovell bank in 1919 and, after serving many years as president, was succeeded as president by his son, John, about six years ago.

Elected Officers of Bank Group

Dominick J. Bettas, assistant cashier of the First National Bank of Kemmerer, has been elected president of the Bank Administration Institute, Wyoming Chapter.

Howard Baker of the Jackson State Bank was elected vice president. George Mellvaine of the First National Bank of Rawlins was named treasurer, and Clifford E. Kirk of the First National Bank of Casper, secretary.

Newly elected directors are Mrs. Daisy Taylor of the American National Bank in Powell, Jim Chapin of the Hilltop National Bank in Casper and Max Neilson of the First National Bank of Worland.

Observes 50 Years

Directors of the Farmers State Bank of Burns last month hosted a dinner party at a Cheyenne restaurant for the shareholders, directors and employees of the bank in observance of the bank's 50th anniversary.

Promotes Five

Carlin Smith, chairman of the board of the Cheyenne National Bank, has announced the promotion of five officers and the election of three new officers to serve the Bank.

Roger A. Weidner has been advanced from assistant vice president to the post of vice president in charge of real estate loans. Joseph A. Miller, former auditor, has been named comptroller, and Mrs. Yvonne Cavanaugh, assistant cashier, has been named assistant vice president in the real estate loan department. Donn J. Ross, who joined the bank in 1961, has been

JACK KING and BOB BRYANS say:

**"Casper Is a Good Place
To Do Business"**

**Check . . . FIRST OF CASPER for Credit
Information, Collections, Transit Items and
All Correspondent Services.**

FIRST NATIONAL BANK OF CASPER

Established 1889

Member F.D.I.C.

promoted from assistant cashier to assistant vice president in the marketing department. Kenneth C. Sutherland, former assistant cashier, has been advanced to assistant vice president in charge of installment lending.

New officers named include: Terry Derby, assistant cashier, operations; Lyle Harsch, assistant cashier, real estate loans, and James G. Melvin, auditor.

To Evanston Bank

Vern J. Smith, administrative vice president of the University National Bank of Laramie, has accepted a position with the Stockgrowers Bank in Evanston, effective June 15.

Mr. Smith came to the University National in 1966 from the Bank of Fountain Valley, Security, Colo., and was promoted to administrative vice president in 1968.

Named Chairman

M. A. Jolley, Lovell businessman and stockman, has been elected chairman of the board of the First National Bank, Lovell. He will fill the vacancy created by the death of W. E. Pearson.

Mr. Jolley has been associated with the bank continuously since 1920. He was an active officer from 1920 until

1948. In 1948, he opened a real estate and insurance office in Lovell, but remained on the board of directors and held the office of vice president until the present time. He has been on the board of directors since 1932.

Buys Discount Corporation

First Cheyenne Corporation, a financial and business development organization, has purchased all of the assets of Wyoming Discount Corporation, a long-established statewide consumer firm, according to A. H. Trautwein, president of First Cheyenne Corporation.

Bank of Montreal Sets Up Export Services Division

The establishment of a specialized export services division at the head office of the Bank of Montreal has been announced by Peter R. Shaddick, executive vice president, international banking.

Mr. Shaddick said the new operation has been formed "to provide the financing and financial advice needed by Canada's exporters and foreign investors to keep abreast of international competition."

Initially, the export services division will concentrate in three areas:

providing discount facilities to Canadian exporters for foreign currency receivables; assistance to exporters in arranging foreign currency financing of exported goods and services; and assistance to Canadians in arranging financing of their direct overseas investments.

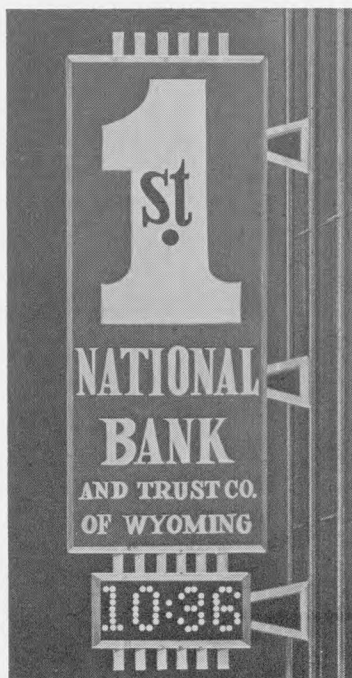
Frederick J. Flynn, a financial analyst and graduate in law, will manage the new division. He has wide experience in international business in Canada and Latin America.

Welcome again to the
Land of the Tetons
and to the
Wyoming
Bankers Convention
June 12-14, 1969

The Jackson State Bank

Jackson, Wyoming

Member FDIC
Member Federal Reserve System



IT'S ABOUT TIME . . .

to start thinking about meeting friends, old and new, at the Wyoming Bankers Association Convention, June 12-14, at Jackson Lake Lodge. Can you make it? We sincerely hope so!



Member Federal Deposit Insurance Corporation

Montana Bankers Association 66th Annual Convention

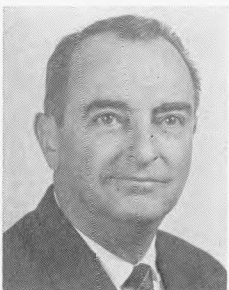
Jackson Lake Lodge
Jackson Hole, Wyoming
June 19-21, 1969



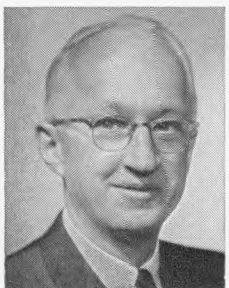
J. D. STREET
President



A. M. GREENSHIELDS
First Vice President



E. P. FRIZELLE
Second Vice President



R. C. WALLACE
Secretary-Treasurer

MONTANA bankers will return to scenic Jackson Hole, Wyo., for their 66th annual convention, June 19-21, with Jackson Lake Lodge as the headquarters. J. D. Street, president of the Montana Bankers Association and chairman of the board, Security Bank & Trust Company, Bozeman, has announced a program that will feature six guest speakers.

Serving with Mr. Street the past year as MBA officers were: A. M. Greenshields, executive vice president, First National Bank, Browning, first vice president; E. P. Frizelle, president, First Metals Bank & Trust Company, Butte, second vice president, and Robert C. Wallace, Helena, secretary-treasurer.

Thursday, June 19

A. M.

9:30 Fourth Annual Golf Tourney.

P.M.

1:00 Luncheon Meeting of Executive Council.

5:45 Social Hour.

Honoring J. D. Street, president of the Montana Bankers Association. Compliments of Midland National Bank, Billings; First Metals Bank & Trust Company, Butte; First National Bank, Great Falls, and First National Bank & Trust Company, Helena.

7:00 Dinner.

Friday, June 20

A. M.

8:00 Breakfast for 25-Year Club.

10:00 Call to Order—J. D. Street, president, Montana Bankers Association; chairman, Security Bank & Trust Company, Bozeman.

Invocation.

President's Address—Mr. Street.

Address—Rev. Dr. Paul B. McCleave, department of medicine and religion, American Medical Association, Chicago, Ill.

Meeting of Montana members of American Bankers Association.

Address—Clarence A. Arata, president, National Association of Travel Organizations, Inc., Washington, D. C.

P.M.

12:15 Noon Luncheon.

2:00 Call to Order—President Street.

Address—Dr. Frank A. Court, Trinity Methodist Church, Denver, Colo. Report of Resolutions Committee.

Address—Hugh D. Galusha, Jr., president, Federal Reserve Bank, Minneapolis, Minn.

6:00 Social Hour—Compliments of Union Bank and Trust Company, Helena.

7:00 Family Dinner.

9:00 Dancing. Refreshments courtesy of associate members.

Saturday, June 21

A. M.

10:00 Call to Order—President Street.

Address—Ray Monsalvatge, Dayton, Ohio, New or Unfinished Business.

Election of Officers.

Installation of Officers.

Drawing for Door Prizes.

Adjournment.

Wyoming Bankers, June 12-14;
Montana Bankers, June 19-21.



BILL GOSSETT
Vice President

JOHN A. EDMISTON
Assistant Vice President

GARY E. BROOKS
Assistant Cashier

DON ECHTERMAYER
Vice President

see you at the convention



CENTRAL BANK AND TRUST CO.

DENVER, COLORADO • 303 / 825-3181



You Will See Them at the Montana Bankers Convention

THE following metropolitan bankers, service and equipment dealers have indicated they will be attending the Montana Bankers Association convention in Jackson, Wyo., June 19-21.

Chicago

Continental Illinois National Bank & Trust Company: Charles W. Battey, vice president.

First National Bank of Chicago: Clarence E. Cross, Jr., assistant cashier.

Denver

Central Bank and Trust Company: John Edmiston, assistant vice president.

Colorado National Bank: W. J. Fleming, assistant vice president.

Denver United States National Bank: Don Ferrel, vice president, and Paul Christensen, loan officer.

First National Bank of Denver: Royce B. Clark, vice president, and James E. Friesen, representative.

Los Angeles

United California Bank: W. C. Stivers and James H. Hearon, vice presidents.

Minneapolis

Midland National Bank: Douglas M. Johnson, vice president.

Northwestern National Bank: Richard H. Vaughan, executive vice president; C. Paul Lindholm and Donald M. Anderson, vice presidents.

New York

Chase Manhattan Bank: Alden K. Small, second vice president, and wife.

First National City Bank: C. Norman Gustafson, assistant cashier.

Manufacturers Hanover Trust Company: Carl G. Carlson, assistant vice president.

St. Paul

First National Bank of St. Paul: Lloyd L. Leider, executive vice president, and wife; Wallace L. Ross, senior vice president, and wife, and Donald W. Buckman, vice president, and wife.

San Francisco

Bank of America: B. G. Framsted, vice president.

Wells Fargo Bank: Hans J. Lunt, vice president, and wife.

South St. Paul

Northwestern National Bank of St. Paul: L. M. Broom, president.

Bank Equipment and Other Firms Bank Building & Equipment Corporation: Donald MacDonald.

Diebold, Inc.: R. H. Schutt and Laird Gillem.

Lawrence Warehouse Company: John J. Kammerer.

Mortgage Guaranty Insurance Corporation: Charles W. Morris.

Mosler Safe Company: Carl Strickrott.

National Fidelity Life Insurance Company: Al Palsey.

Visit Glacier National Park

and

The Blackfeet Indian Reservation

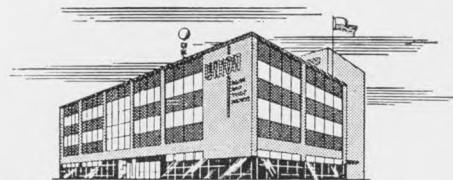
in 1969

FIRST NATIONAL BANK of BROWNING
BROWNING, MONTANA

On **71st** year
Providing Montana Banks
with
Better Correspondent Facilities

UNION

BANK AND TRUST COMPANY



HELENA, MONTANA

Member Federal Deposit Insurance Corporation

THE UNITED STATES NATIONAL BANK
OF RED LODGE, MONTANA

Serving this community since 1910

A locally owned and independent bank

Member of the Federal Deposit Insurance Corporation

Security Pacific Applies For Master Charge Card

Security Pacific National Bank, Los Angeles, announced last month it plans to enter the charge card field and will apply for membership in the Western States Bankcard Association to issue Master Charge cards.

In making the announcement, Frederick G. Larkin, Jr., chairman of the board and chief executive officer, said it is anticipated that the program's operational costs will have a moderately adverse effect on the bank's earnings of about 8 cents per share in 1969.

Celebrates 65th Anniversary



GUESTS at 65th anniversary celebration of 1st Natl. Bk., Glendive, viewed a giant facsimile birthday cake on customers' desk in center of bank lobby.

THE First National Bank of Glendive recently held a day-long anniversary celebration in honor of the bank's 65 years of continuous service to the Glendive area.

The bank opened for business on March 4, 1904, with approximately \$5,000 in deposits. Since that time it has occupied three different locations, with business at the bank more than doubling during the past 10 years. Resources are now close to \$15 million.

T. A. Vashus has served as president of the bank since 1966. In addition to Mr. Vashus, other bank officers are: T. E. Sell, vice president and cashier; Thomas W. Hughes, vice president; Jack E. Dobson, assistant vice president, real estate and installment loans; Richard Powell, assistant vice president and ag representative; William P. Toy, real estate and installment loan officer, and Donald L. Bobiney, international operations officer.

New Vice President

Albert E. Leuthold, former state examiner ex officio superintendent of banks for Montana, has been elected vice president of the Yellowstone Banks at Columbus, Absarokee and Laurel.

Displays Artworks

A variety of oil paintings, water colors, charcoal sketches and works in casein were recently on exhibit in the main lobby of the Union Bank and Trust Company, Deer Lodge. The exhibit of 22 paintings were the work of Richard L. Nelson, Deer Lodge artist.

A.B.A. Announces 30% Increase in Dues

The American Bankers Association will increase the membership dues by 30 per cent beginning September 1, 1969, it was announced recently by Willis W. Alexander, president.

The effective date is the beginning of the Association's fiscal year.

The increase was voted unanimously by the Association's 150-man executive council. The move had been recommended to the council by both the administrative and management committees.

This is the first increase in dues since 1962. It will take effect across the board, with equal application at all membership levels. Dues are levied on a graduated scale based on total resources.

Effective immediately, the Association will discontinue the practice of funding certain activities by means of special assessments. Future support of all activities will be from regular sources of income.

Greetings to all fellow members of the Montana Bankers Association; be seeing you at Jackson!

Our congratulations to the "Official Family" for planning an excellent program.



The **ST** National Bank
 GLENDIVE, MONTANA
 "Glendive's FAMILY Bank"



SECURITY

TRUST & SAVINGS

BANK

BILLINGS, MONTANA

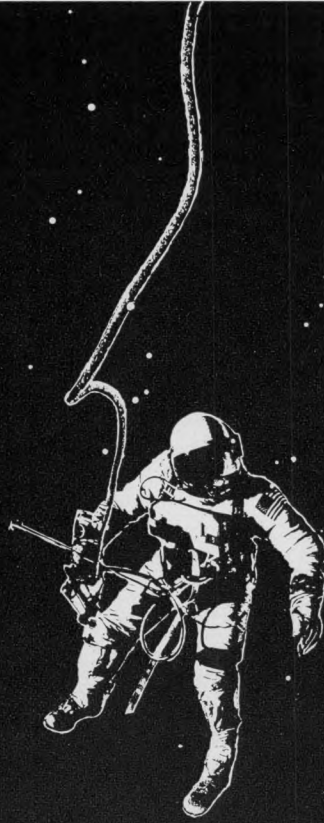
...Your Friendly Bank

Resources over \$85,000,000

Serving Montana, Wyoming and Western North Dakota with Prompt and Careful Correspondent Service.

Member Federal Deposit Insurance Corporation
 Member of Federal Reserve System

We don't
have a man
in space
but...

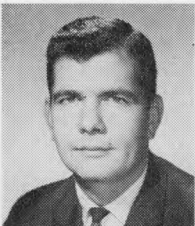


...we can help you anywhere in the world

Through our affiliation with the Northwest International Bank of New York, we can help you provide your customers with analysis of trade potentials in Europe, the Orient, Latin America and elsewhere...with credit information and

marketing data...with collection of receivables and letters of credit. With key contacts in all the major markets of the free world, our banking service knows no boundaries. Call us and see how far we'll go for you.

All the services of U. S. National are yours for a phone call . . . 341-8765, Omaha.



JAY BORDEWICK
Vice President



HOWARD NIELSEN
Vice President



EVERETT BROWN
Assistant Vice President



DALE F. FAGOT
Assistant Vice President



JESS ZIMMERMAN
Assistant Vice President



Member F.D.I.C.

Northwestern Banker, June, 1969

Digitized for FRASER

<https://fraser.stlouisfed.org>

Federal Reserve Bank of St. Louis



NEW PRESIDENT of the Nebraska Bankers Association is Adon Jeffrey (left), pres., 1st Natl., Wayne, pictured with Mrs. Jeffrey, Mrs. McKibbin and H. L. McKibbin, new v.p. of the NBA and exec. v.p., Bank of Gering and pres., Minatare State Bank.

Adon Jeffrey Is Elected as Nebraska Association President

By **BEN HALLER, JR.**
Editor

UNITED STATES SENATOR Roman L. Hruska told Nebraska bankers last month that President Richard M. Nixon is determined to halt inflation. Speaking before the 72nd annual convention of the Nebraska Bankers Association in Omaha, Sen. Hruska said the inflationary trend inherited by the new administration created .8 of 1 per cent inflation in March, which would create 10 per cent inflation for the year if unchecked.

However, he stressed, President Nixon has taken steps to halt this. "Inflation," he emphasized, "is one of the most vicious tax assessments known."

Officers Elected

Sen. Hruska was the first guest speaker on the program. Later in the morning, Adron Jeffrey, president of the First National Bank in Wayne, was elected president of the Nebraska Bankers Association to succeed Henry Gramann, Jr., president of the Adams State Bank, Adams. Elected as NBA vice president was H. L. McKibbin, executive vice president of the Bank of Gering and president of the Minatare State Bank.

Fred H. Douglas, vice president of The Omaha National Bank, was elected to a three-year term as NBA treasurer, succeeding Edward W. Lyman, president, The United States National Bank of Omaha.

William H. Osterberg continues as executive manager and H. V. Osterberg as secretary at NBA headquarters in Omaha.

At the meeting of Nebraska members of the American Bankers Association on the second day of the convention, James H. Oliver, ABA state vice president and president of The Ravenna Bank, gave a brief report on ABA activities and presided at the election. Marion R. Morgan, president of First National Bank, Elwood, was elected to a two-year term on the ABA executive council, and Robert Wekesser, president of Farmers State Bank, Sargent, was elected to a one-year term. Mr. Morgan also was named as member of the nominating committee for the ABA convention this fall. Named alternate to him was Mr. Jeffrey.

Inflation Fight

In his talk to the membership which

centered on the fight against inflation, Sen. Hruska said the President has presented proposals to Congress that would lop \$4 billion from the budget presented earlier by former President L. B. Johnson. The Nebraska Senator said that President Nixon knows that fiscal restraint must be combined with monetary policy to curb inflation and bring the budget in balance, hence the size of his proposed cutbacks. He asked, "Can the President's effort to stem inflation be done with \$4 billion? We don't know. There are some in Congress who want to **spend** another \$4 billion or more, while others want to cut **more** than \$4 billion from the budget.

"I feel that the only way to establish a non-inflationary economy is by using fiscal restraint. That's why the Nixon Administration supports the Federal Reserve Board's tight money policy. Budget cuts are not met with universal support. Many letters to my desk want budget cuts—but they want those cuts elsewhere than their own area of interest."

Speaking directly to the areas of legislation affecting banking, Sen. Hruska said there are three holding company bills proposed—those from Rep. Patman, Sen. Sparkman and Sen. Proxmire—and no one at this time can tell which way they will go or what direction, if any, such legislation will take.

He urged bankers to think carefully before soliciting government intervention for the control of too many aspects of their business and that of their competitors. He said, "I hope we can hold government intervention to a minimum and direct legislation only to abuses, and not substitute legislative judgment for business judgment."

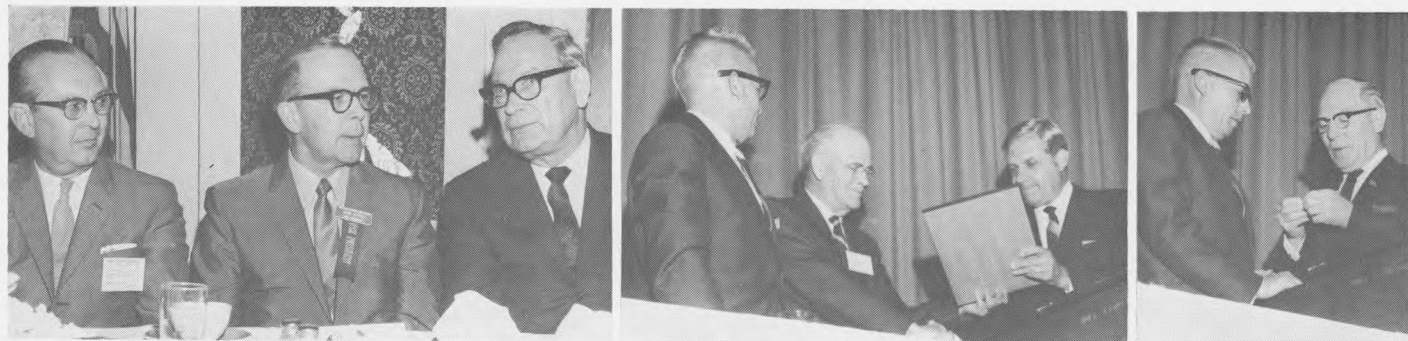
Referring to conglomerates, the Senator said they are actually in their third cycle in U. S. history. The first was early in the 1900's. The second tremendous merger effort was in the 1920's, and in 1968 there were 4,500 corporations merged into others, including assets of \$43 billions, or 4 per cent of corporate capital.

At the same time in 1968 he noted, bankruptcy proceedings show that \$12,000 businesses failed and 200,000 new corporations were formed. "People say these mergers are terrible," he said, "but all the scare talk is 'looking at the pimple' from pretty close range. We need to back off and look at it in broader perspective and then it doesn't look so serious.

"Let's find out first **what** the abuses are and legislate on them, rather than just passing laws and taking 20 years to resolve them in the courts for an interpretation.

"For many people, bigness is bad;

Northwestern Banker, June, 1969



LEFT—Stanley Pugh, FDIC supervising examiner, Kansas City, Mo.; Adon Jeffrey, pres., 1st Natl., Wayne, and new pres. of the NBA, and the Hon. Roman L. Hruska, U. S. Senator from Nebraska. CENTER—Henry Gramann, retiring NBA pres. and pres. of Adams State, watches as C. R. Haines, who recently retired as Nebraska's director of banking, receives from Governor N. T. Tiemann an NBA plaque recognizing Mr. Haines' 40 years of service to the banking department. RIGHT—Mr. Gramann receives his past president's pin from Harold E. Roe, former NBA pres. and pres., Bank of Bennington.

they have a fear of bigness and of change. Bigness in government is something I think we can cut so we the people can comprehend and manage it.

"Let us always be blessed with troubles. They keep us alert, aggressive and on our toes and are signs of change."

Bank Management

The second guest speaker was Allen P. Stults, president of the American National Bank and Trust Company of Chicago and president of the Illinois Bankers Association. Later in the morning, Mr. Stults heard the Nebraska bankers endorse unanimously his candidacy for election as ABA vice president at the 1970 convention.

The title of Mr. Stults' talk was "Basic Concepts in Bank Management." He first defined management as "judicious use of a company's resources to obtain maximum profit." He gave an analysis of the top 100 banks and the main points that were common to each of the more successful ones. He then related how these criteria were adapted for the use of his bank. His talk is reviewed in detail in a special feature in this issue.

New Banking Director Speaks

Nebraska's new banking director,

Edwin A. Langley, addressed the first business session. He had been in office only three weeks and said he would first attempt to establish a personnel structure within the department that would have a deputy director and three superintendents. These three men would be responsible individually for the securities division, savings and loan division and banking division.

Each superintendent then would establish a recruiting and training program. He said this is being done because the department needs distribution of the work load and flexibility to shift personnel where needed.

He said "there are many changes taking place today and we must be ready and equipped to meet them. The one bank holding company is an example, and there are many others, all challenges of change affecting banks. With these changing economic needs we must keep pace with them through strong but flexible state and departmental rules. We definitely need the dual system."

Special Reports

Marion R. Morgan, president of the First National Bank in Elwood, gave a report as chairman of the NBA committee on grants-in-aid. As reported in an earlier issue, Mr. Morgan had presented checks for \$2,000 each to

the deans of the University of Nebraska college of business administration and ag college. His report concerned itself with the number of banks that contributed to the grants-in-aid fund. Participation by banks in the six groups in the state ranged from 50 to 66 per cent, with a total of 363 banks, or 60 per cent of the state's total, participating in this voluntary effort.

William B. Brandt, NBA legislative counsel, Unadilla, gave a detailed report on the bills that directly affected banking, noting that more than 130 bills in the Nebraska Legislature were of concern to banks in varying degrees. The most controversial of these were the three bills proposing branch banking, ranging from an increased number of drive-in offices for Omaha and Lincoln to statewide branching. All three bills were killed in committee. Two holding company bills also were killed. One would have changed the definition of a one-bank holding company to permit as many as 10 banks in a holding company. The other bill would have repealed the entire statute governing holding firms.

One bill of considerable importance to state banks, as reported earlier, is LB202, which increases a state bank's loan limits from 20 to 25 per cent, and grants an additional 10 per cent to be loaned when it is secured by 115 per



LEFT—W. W. Cook, Sr., pres., Beatrice Natl. B&T; Mrs. Eugenia Abbott, dir., Guardian State, Alliance; Wm. B. Huffman, exec. v.p., Bank of Valentine, and Mrs. Huffman. CENTER—Joe Radosti, v.p., Amer. Natl., Creighton; Mrs. Radosti; Dick Adkins, pres., Osmond State; Mrs. Jack Babcock, whose husband is 2nd v.p., Omaha Natl.; Herb Echtermeyer, Sr. v.p., Omaha Natl.; Mrs. Echtermeyer, and Mrs. Adkins. RIGHT—Seated: Theo B. Cole, pres., Bank of Taylor; Jack Babcock, 2nd v.p., Omaha Natl., and Mrs. Cole. Standing: John Olafson, 2nd v.p., and Fred Douglas, v.p., both with Omaha Natl.

Northwestern Banker, June, 1969

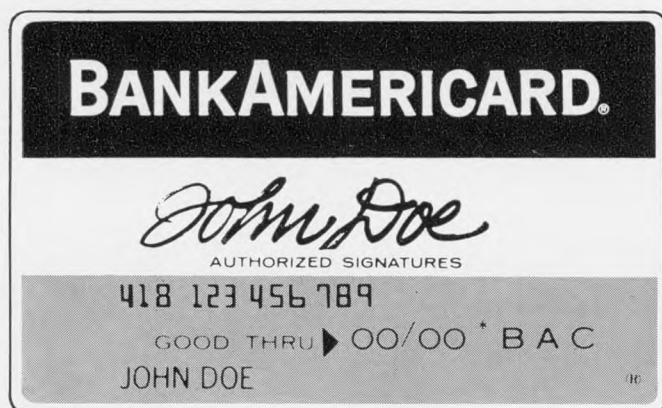


This is BankAmericard Country.

Restaurants, airlines, hotels and motels, stores and shops, and service stations. They're all BankAmericard country. Over 390,000 locations here at home and around the world honor BankAmericard. And the list is growing daily.

Now your bank can offer this unique credit card to

your customers. (It's the Number One Bank Credit Card in the nation.) Just contact Don Ostrand, Vice President, or any correspondent bank officer at the First National Bank of Omaha, the BankAmericard licensee bank in Nebraska, Iowa, South Dakota and North Dakota.



®Service marks owned and licensed by BankAmerica Service Corp.

First National Bank of Omaha

Northwestern Banker, June, 1969



LEFT—A. H. Walentine, exec. v.p., Bank of Bertrand; Rick Nelsen, cash., and Charles T. Backer, exec. v.p., both with Burt County State, Tekamah; Lyle Stoneman, v.p. 1st Natl. B&T, Lincoln, and Allan Armbruster, dir., 1st Natl., Cozad. LEFT CENTER—Leon Langemeier, pres., 1st Natl., Lyons; John Van Horne, pres., Van Horne Investments, Omaha, and Cooper Butt, cash., Nebraska State, South Sioux City. RIGHT CENTER—Dick Taylor, v.p. & cash., 1st Natl., Sioux City; Mrs. Thorndyke and Wayne Thorndyke, exec. v.p., 1st Natl., Tekamah. RIGHT—Mrs. Souba and Les Souba, pres., David City Bank; Fred Pfaff, v.p. & genl. mgr., U. S. Check Book Co., Omaha, and Mrs. Pfaff.

cent of the livestock or by warehouse receipts.

Truth-in-Lending

Roger Guffey, general counsel and secretary of the Federal Reserve Bank of Kansas City, gave an excellent summary of the "Truth-in-Lending" law which becomes effective July 1. He said, "Regulation Z doesn't tell you how much you can charge on an extension of credit, but it does stipulate that all costs of loans must be translated into meaningful, standard terms of cost so that any borrower can make an intelligent use of credit."

He said this involves translating costs into dollars as the finance charge and then converting this into an annual percentage rate of interest.

He recommended to bankers that they get the regulation and sit down and read it carefully to become acquainted with its provisions, then just follow what is prescribed in the document.

Premiums on credit life may be excluded from the finance charges, providing the banker states in writing it is not a condition to the extension of credit, and states in writing what the premium cost is for the credit life.

Also, the same exclusion holds true for fire hazard insurance, if the banker states in writing that the insurance can be purchased any place; and if it is purchased at the bank, what the bank's charge is.

Mr. Guffey said he believes Regulation Z will be a boon to banks because if they have been loaning at a lower cost than other types of lenders, this difference will be even more pronounced after July 1, when comparisons on a standard basis can be made.

He recommends the banker have the customer sign all disclosure documents for the bank's protection. Such

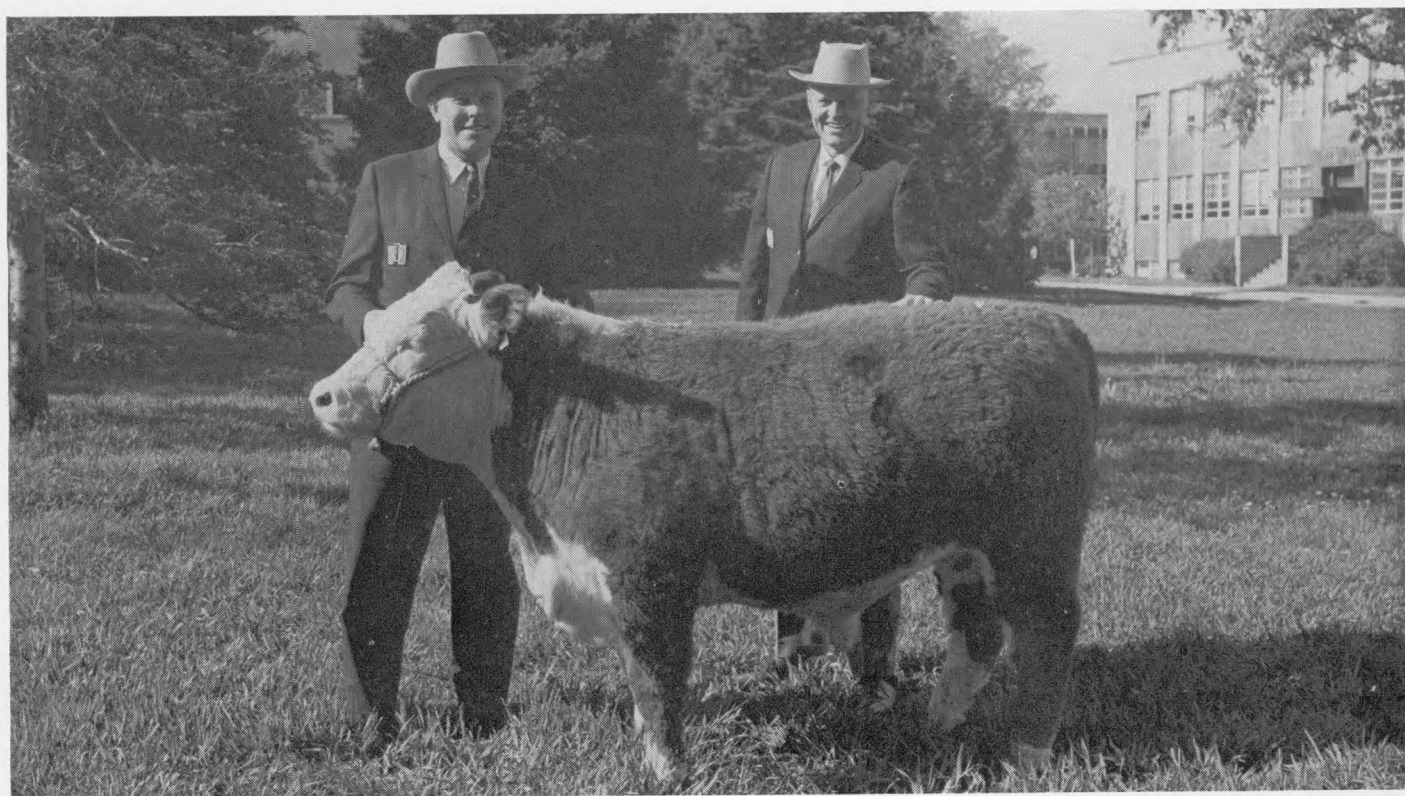


LEFT—Richard C. Armstrong, exec. v.p., Overland Natl., Grand Island, and Mrs. Armstrong; Mrs. Zimmerman and James A. Zimmerman, v.p., U. S. Natl., Omaha. CENTER—Ed. Burke, v.p. & cash., Farmers & Merchants Bank, Imperial; Jay Bordewick, v.p., U. S. Natl. Bank, Omaha; Harold Qualsett, pres., 1st Natl., Schuyler, and Jess Zimmerman, a.v.p., U. S. Natl. DeLuxe Check Printers, Lincoln; Mitch Moret, v.p., Farmers State, Superior; Howard Nielsen, v.p., U. S. Natl., Omaha, and Larry Gassaway, zone mgr., DeLuxe Check Printers, Kansas City, Mo.

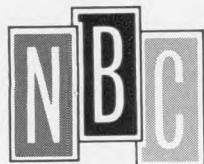


LEFT—Allen P. Stults, pres., American Natl. B&T, Chicago, whose candidacy for election as v.p. of the ABA at the 1970 election was endorsed by the Nebraska Bankers Assn. at the convention; John R. Burt, regional administrator of national banks, Kansas City, and Edwin A. Langley, Nebraska's new director of banking, Lincoln. CENTER—John Farrell, a.v.p., Stockyards Natl., Omaha; Slavomir Vodehnal, cash., Clarkson Bank; Frank J. Sibert, v.p., Stockyards Natl., and Eldridge Scriven, pres., Bank of Gering. RIGHT—James I. Black, pres., Cones State Bank, Pierce, and Mrs. Black, win a prize from Cecil W. Means, sr. v.p., Stockyards Natl.

We won't give you a bum steer at **NBC**

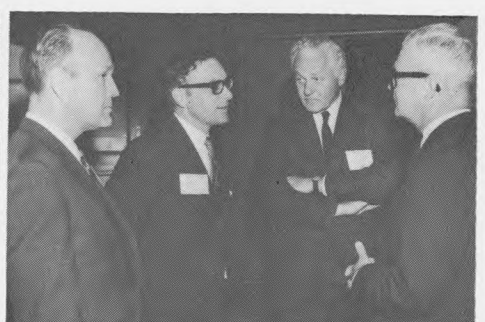


Winton (Buck) Buckley (left) and Roy Yaley, Vice-Presidents of our Correspondent Bank Department, just won't give you a bum steer on anything. You get choice treatment when you deal with Buck and Roy.....and that's no bull!!!



National Bank of Commerce
LINCOLN, NEBRASKA

Northwestern Banker, June, 1969



LEFT—**Jim Oliver**, pres., Ravenna Bank and Nebraska ABA state v.p.; **Marion Morgan**, pres., 1st Natl., Elwood, who was elected to the ABA exec. council for two years, and **Dale Walkenhorst**, exec. v.p., 1st Natl., North Platte, ABA reg. v.p. CENTER—Seated: **Don R. Ostrand**, v.p., 1st Natl., Omaha; **Bill Fleming**, a.v.p., Colorado Natl., Denver; **Herman Jacobs**, mktg. off., 1st Natl., Omaha; **Mrs. Bob Brown** and **Mrs. Merv. Aegerter**, whose husbands are with 1st of Omaha. Standing: **Melvin Emeigh**, a.v.p., Colorado Natl., and **John Davis**, chmn. 1st of Omaha. RIGHT—**Bill Connellan**, 2nd v.p., Chase Manhattan, New York; **F. Phillips Giltner**, exec. v.p., and **John Lauritzen**, pres. and chmn. of exec. comm., 1st Natl., Omaha, and **Everett Kennedy**, 2nd v.p., Chase Manhattan.

Regulation Z records must be kept two years.

Legislative Panel

The final portion of the 72nd convention was a panel composed of four prominent members of the Nebraska Legislature. These men were:

Senator Jerome Warner, District 25, Waverly, speaker of the legislature.

Senator C. W. Holmquist, District 16, Oakland, and chairman of the executive board of the legislature.

Senator William M. Wylie, District 40, Elgin, chairman of the committee on committees.

Senator Richard F. Proud, District 12, Omaha, chairman of the banking, commerce and insurance committee.

Each man was requested to give a few minutes summary of a particular phase of legislation in which he had pursued a keen interest during his tenure of office. Sen. Warren discussed the condition of the state's highways and said it would take \$3.7 billion to bring all the highways up to acceptable standards over a 20-year period.

Sen. Holmquist gave a review of public power in the state and the present status of legislation to control power production and transmission authorities.

Sen. Wylie's personal concern is in the area of mental health, and with the knotty problem of providing proper facilities, how to finance them and to determine who should pay what proportion of the costs.

A Call for Action

Sen. Proud referred to the extremely divergent views of the two sides in the banking industry that appeared before the legislature this year and stated, "I must say that the men on both sides of the fence in these banking issues, large banks and small banks alike, have been gentlemen throughout and we are grateful for this kind of conduct on the part of all.

"I recall that after an accident everyone drives more carefully for about two days, but I say now is the time to mend your fences, look at things realistically and look to the next session. We all tend to look at our own problems from our own standpoint, instead of several standpoints. I hope that these differences will be ironed out.

"I urge you all to be interested and involved in government; not just when your vested interest is at stake, but at all times, on all issues. This is typical of all businessmen. Other groups

are not like this; labor, for example, and this is right for them to be concerned. Those who don't take an interest, deserve what they get.

"I have one suggestion for your association. Identify the areas of interest of your bankers—social problems, business problems, financial issues—and have these bankers work in these areas of interest in the state with the legislature as leaders on behalf of all Nebraskans.


"There are changes afoot. We used to have a rural economy in this state, but it is fast changing. Twenty-five per cent of the state's population is in Omaha and another high per cent in Lincoln. There is vast meaning here. Back in Arapahoe we always knew who was on the city council and the school board. In cities it is different, for people just do not know the ones who are on the school board, although they generally know who is on the city council, but only by name.

"Consequently, on the ballot you vote for a name, but you don't really know the individuals. It follows that the one who gets the most publicity, preferably favorable, gets elected, and he does not necessarily represent all the people, but only those who got him elected. This takes money.



LEFT—**L. J. Titus**, pres., 1st Natl., Holdrege; **Mrs. Yaussi**; **Mrs. Titus**, and **Glenn Yaussi**, chmn., Natl. Bank of Commerce, Lincoln. CENTER—Seated: **Adolph Thuman**, State Bank of Trenton; his daughter, **Mrs. Oscar L. Clarke, Jr.**, whose husband is v.p. and t.o., Natl. Bank of Commerce, Lincoln, and **Ken Niedan**, exec. v.p., Hershey State Bank. Standing: **Roy Yaley**, v.p., and **Herman A. Brockmeier**, sr. v.p., both with Natl. Bank of Commerce. RIGHT—**Charlie King** and **Harvey Hayes**, v.p.-sales mgr., both with Omaha Printing Company, with **Mrs. Rick Nelsen**, Tekamah; **Jackie Erickson**, Hastings, and **Mrs. Charles Backer**, Tekamah.

Northwestern Banker, June, 1969



Commerce Trust is very big in wheat.

Wheat is the basic crop here in the mid-west. And much of it is financed, one way or another, through Commerce Trust and its network of correspondents. Much of the equipment necessary to plant, fertilize and harvest this giant crop, to say nothing of the land itself, is ultimately made available through Commerce Trust and its correspondents.

No matter how you slice it, there's more "bread" in Commerce country. Thousands of wheat men rely on Commerce Trust. You can, too.

COMMERCE TRUST BANK

Kansas City, Missouri

Member Federal Deposit Insurance Corporation



LEFT—Clark Wenke, pres., Pender State; Jim Foley, munic. sales, Chiles & Co., Omaha, and Don Echtermeyer, v.p., Central B&T, Denver. LEFT CENTER—Mrs. LeRoy Abbott, Jr., Alliance; Dick Starrett, (back), v.p., Morgan Guaranty Trust, New York; George Alf, v.p., Denver U. S. Natl., Denver; Mrs. Jerry Beagle, whose husband is a.c., Guardian State, Alliance; Terry Ryan (back), Loan officer, Denver U. S. Natl., Denver, and John N. Fix, 2nd v.p., Northern Trust, Chicago. RIGHT CENTER—Seated: Mrs. Harold Myers; Dan Huff, pres., Security State, Osford, and Mrs. Huff. Standing: Robert E. Roh, v.p., Robert E. Schweser Company, Omaha; Chuck Poor, secy.-treas. of the Schweser firm, and Harold Myers, Weeping Water. Right—Harold E. Larmon, pres., 1st Natl. of McCook, holds forth at the organ in the Omaha Natl. hospitality room.

"I think this system is in trouble and needs radical surgery. We are in trouble with campus disturbances, and the hard core has the tacit approval of the rest. I think these kids are not much different than we were—we're just not talking to them.

"Why does organized crime exist in the U. S.?"

"I'll leave you with that question, and hope that some of you will take an interest in government . . . more than you have in the past."

The panelists were given considerable applause at the conclusion of their presentation.

Social Highlights

A highlight of the convention again was the Monday night social hour hosted by the Omaha Clearing House banks, and the annual banquet at which top-notch musical entertainment was provided. Mal Dunn and

his concert orchestra was again selected to entertain at the banquet. Mr. Dunn's orchestra is made up of his own men, plus all the other Omaha band leaders and their selected key personnel. The result is one of the finest large orchestras assembled. They played a number of Broadway musical selections, as well as popular dance music, during the dinner. The Cavaliers Quartet, world champion Barbership Quartet singers, provided a half-hour of delightful old-fashioned harmony.

At the conclusion of the evening's festivities in the Omaha Auditorium, the crowd of 1,000 thronged outside to be greeted by a steady drizzle. The Robert E. Schweser investment firm of Omaha came to the rescue with several cartons of lightweight clear plastic raincoats and hoods that fold up into pocket size. Few of the guests got wet due to this courtesy.

Resolutions

Resolutions passed at the business session, in addition to the one supporting Mr. Stults' candidacy, included the following:

- Continued support for the dual banking system.
- All facilities of both state and national banks should be subject to state law.
- That banks give careful consideration when investing in debentures and securities of other competing financial institutions who enjoy special tax privileges.
- Support for establishing a state banking board, and that the NBA legislative committee and executive council make a study of this subject during the next year and a half and present a proposal to the 1971 Nebraska Legislature. It was recommended that the NBA work closely with the director of banking in the study of such a board.—End.

Set Dates for Nebraska Bankers 1969 Group Meetings

The following schedule has been announced for the 1969 group meetings to be held this fall by the Nebraska Bankers Association:

- Oct. 7—Group 6, Scottsbluff.
- Oct. 8—Group 4, McCook.
- Oct. 9—Group 5, Kearney.
- Oct. 14—Group 3, Norfolk.
- Oct. 15—Group 2, Columbus.
- Oct. 16—Group 1, Lincoln.

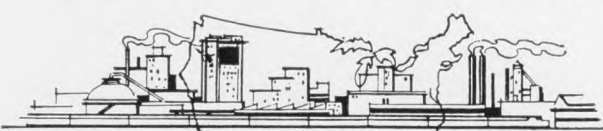
Honored for 50 Years American Legion Service

John W. Green, a banker since 1906, and chairman of the board Wauneta Falls Bank, Wauneta, was presented a 50-year pin recently by American Legion Post No. 304 in Wauneta.

Mr. Green helped organize the Wauneta American Legion Post following his military service in World War I.

**MUNICIPAL AND CORPORATE BONDS
LISTED STOCKS
UNLISTED AND LOCAL STOCKS**

★
Orders Executed on All Principal Exchanges



CHILES & COMPANY
MEMBER, MIDWEST STOCK EXCHANGE

412 Farm Credit Building, Omaha, Nebraska 68102
Phone 346-6677 (Area Code 402) Teletype 402 348-1040

Other Offices Located in

LINCOLN Nebraska	LEXINGTON Nebraska	VERMILLION South Dakota
---------------------	-----------------------	----------------------------

Issues New Tax Saving Account

THE First National Bank of Chicago announced a new Tax Saving Account which will enable depositors to defer interest payments and the income taxes on them for periods ranging from two to 10 years.

Clarke C. Stayman, senior vice president of the bank and head of the retail banking department, said the new Tax Saving Account (TSA) combines a number of advantages which have never before been offered by The First in passbook form.

TSA guarantees a yearly interest rate of 5 per cent, compounded daily, and the initial deposit can be as little as \$100. Subsequent deposits can be as low as \$25. Deposits can be made on a regular basis by automatic transfer from the depositor's checking account at the bank, or by arranging to have stock dividends of \$25 or more deposited directly into the Tax Savings Account.

The depositor agrees not to withdraw any of the principal and interest during the term of the deposit. Mr. Stayman said the interest rate will be keyed to that on the bank's investment passbook accounts. Should the rate on the investment passbook accounts rise, so will the rate on TSA. The TSA rate could also come down, but never below 5 per cent.

"The new Tax Savings Account is ideally suited for depositors who are within a few years of retirement," Mr. Stayman noted, "because, under current regulations, their interest payment and the income taxes on them can be deferred to a time when they may be in a lower tax bracket. Parents and grandparents will find TSA an excellent vehicle, as will professional athletes and a great many others anticipating lower income in future years."

The First is one of the few banks in the country offering this kind of Tax Saving Account. The bank has more savings accounts under one roof than any other institution in the world.

Promoted in Los Angeles

John S. Ward, Jr., has been promoted from trust officer to vice president and trust officer with Security Pacific National Bank, Los Angeles. Mr. Ward is manager of the Guardianship and Conservatorship Unit in the bank's head office trust department, Los Angeles. He joined the depart-

ment in 1954, was appointed assistant trust officer in 1960 and was named trust officer in 1964.

Yutan Capital Increased

H. H. Peters, president of the Bank of Yutan, has announced that the stockholders recently declared a 100 per cent stock dividend which increases capital stock from \$25,000 to \$50,000. Surplus also is \$50,000.

Joins Grand Island Bank

William H. Riley, judge of the workmen's compensation court at Grand Island, has resigned that position to join First National Bank of Grand Island on June 1 as a vice president and trust officer.

Moves to Scottsbluff

Jack J. Moss, a native of Broadwater, has been elected an assistant vice president of Western National Bank in Scottsbluff. He has been associated with the Western National Bank of Casper, Wyo., before moving to Scottsbluff.

COUNTY SEAT BANK . . .

(Continued from page 33)

derstandable in that you will do something with the ball to see that we are closer to the goal at the end of the play than when we gave you the ball.

Another Case History

Let me give you another example of what I mean. A small businessman in our town came to us and asked us to be on his team. His industry had changed from many small and medium wholesalers to just a few giant chains and he was being squeezed. He felt the odds were too great to try to become another Goliath when they were already fighting among themselves—and he didn't want to forfeit the game by quitting. So during some huddles we helped him with his idea of a new product he had, never made before, and that sounded like a winner.

The play was called deep in his own end zone. We handed him the finances, and all of us are still watching one of the most beautiful jobs of broken field running that is scoring new sales peaks every year. I am talking about a wholesale bread bakery that is so busy making Grandma's Fruit Cakes for national distribution that they gave up the bread business entirely.

That's our story of just one center on a team and how we were able to help win the game. Each of you have your own team, and back in your home town there is a banker waiting to join your huddle and help you win your game.—End.



Our new man in Omaha, Thomas A. Shaddy

We are pleased to announce that Tom Shaddy is now associated with us as a Registered Representative in our Omaha Office.

PIPER, JAFFRAY & HOPWOOD

Established 1895

Members New York Stock Exchange
100 City Nat'l. Bank Bldg. • Omaha Neb. 68102
Phone 342-2020



Northwestern Banker, June, 1969

YOUR STATE BANKERS ASSOCIATION
OFFICIAL SAFE, VAULT AND
TIMELOCK EXPERTS
F. E. DAVENPORT & CO.
OMAHA

Lincoln News



TWO appointments in the trust department of First National Bank and Trust Company of Lincoln were announced last month.

Gaylan Abood joined the department as an investment analyst in the trust investment area and **Larry Heiserman** has been employed as a trust officer in the pension and profit-sharing area.

Mr. Abood is a native of Lexington, was graduated from the University of Nebraska, then spent five years in the United States Air Force. He returned to the University of Nebraska and obtained his Master of Business Administration degree. Since June, 1968, he has been employed as an investment analyst by Bridges Investment Company, Omaha.

Mr. Heiserman is a Kansas native and was graduated from the University of Kansas. For the past nine years he has been employed by Travelers Insurance Company in its pension sales department. He was transferred to Lincoln from Wichita with Travelers about two years ago.

* * *

Dale C. Tinstman, president of First Mid America Inc., has announced the election of **Melvin H. Andelt** as a vice president of the Lincoln and Omaha based investment banking firm. He has been in the Lincoln office of the firm since its founding in 1961 and was formerly with First Trust Company of Lincoln.

Mr. Tinstman also announced the promotion of four men to senior account executives in four of the firm's midwest offices. They are: **Harold Taylor**, Lincoln; **John W. Donnelly**, Cedar Rapids, Iowa; **Irwin M. Brenner**, Des Moines, Iowa, and **Alfred L. Fox**, Omaha.

* * *

Construction on the new **First National Bank** building is progressing well, according to a report from an official of the bank. Vault construction was completed recently when 186,000 pounds of reinforcing steel were put in place and encased in 18 inches of concrete. The vault will have three

doors, two of them weighing eight and one-half tons each and the third weighing 12 tons.

Pouring of the floors in concrete forms is proceeding at this time.

The bank's present parking and drive-in window customers are being rerouted temporarily to another entrance while building construction occupies the alleyway normally used.

* * *

Officials of **First National Bank and Trust Company** also announced last month that dates for the bank's annual fall Conference of Bank Correspondents will be September 19 and 20 in Lincoln.

* * *

In last month's issue it was reported that **City National Bank** purchased an historical old parlor car from the Rock Island Railroad and would convert it into a drive-up bank facility. It also stated that the Rock Island was building a new depot nearby.

The story was reversed from the correct facts, due to a misunderstanding, and **Roland H. Tornblom**, president of City National, after recovering quickly from an anticipated case of claustrophobia after reading the **NORTHWESTERN BANKER** story, hastened to write us that the bank purchased the Rock Island's depot for a drive-up bank and it should be ready for occupancy some time in June.

Rock Island Railroad is using the old parlor car temporarily as a depot in the Havelock area while a new depot is constructed.

The Lincoln Chapter of the American Institute of Banking is offering a summer class session in "Principles of Bank Operation." The instructor will be **Ellis Dann**, vice president and cashier of City National Bank. Mr. Dann has been in banking for more than 20 years and has previous experience in teaching A.I.B. classes.

Present plans are for classes to be held at 7:00 p.m. two nights a week, on Monday and Wednesday evenings, for a total of only seven weeks. Therefore, the class would be completed during the week of July 7, 1969.

Receives FFA Chapter Award

Frank E. Krivohlavek, assistant cashier, City National Bank of Crete, was chosen recently as a recipient of the degree of Honorary Chapter Farmer by the Crete FFA Chapter. He was presented the award during the local chapter's banquet at the Crete Senior High School. Mr. Krivohlavek was one of two men receiving the award. The other was Fred Ahl-schwede, owner and operator of Ahl-schwede Ford.

Nebraska Deaths

Jardy M. Counce, 65, died unexpectedly in Hayes Center, where he was president of the First National Bank.

Stanley E. Badura, 78, former president of the Ashton State Bank, died recently in Ashton.

Guy S. Hutchins, 93, former banker in Shubert, died recently in Falls City.

James V. O'Donnell, 74, president of Farmers State Bank at Lexington died in a Lexington hospital recently. He joined Farmers State in 1929 and had been president since 1950. He was also a director of Overton National Bank at Overton. Mr. O'Donnell was a former president of Group 5 of the Nebraska Bankers Association and had served on the NBA executive council. His survivors include a son, James G. O'Donnell, vice president of the bank.

James A. Fiala, 68, a life-long Howells resident and retired businessman, died recently in a West Point hospital after a short illness. During a 15-year period he was assistant cashier of the Colfax County Bank at Howells.

Cooper Shows Gains

Guy Cooper, board chairman of The O. A. Cooper Company of Humboldt, Nebr., announced that the first quarter of 1969 was the best first quarter in the company's 90 years of business.

Compared to the first quarter of 1968, feed tonnage was up to 36.6 per cent, net profit before taxes was up 68.9 per cent, the current ratio rose from 2.33 per cent to 2.54 per cent, net working capital increased from \$1,198,000 to \$1,813,000.

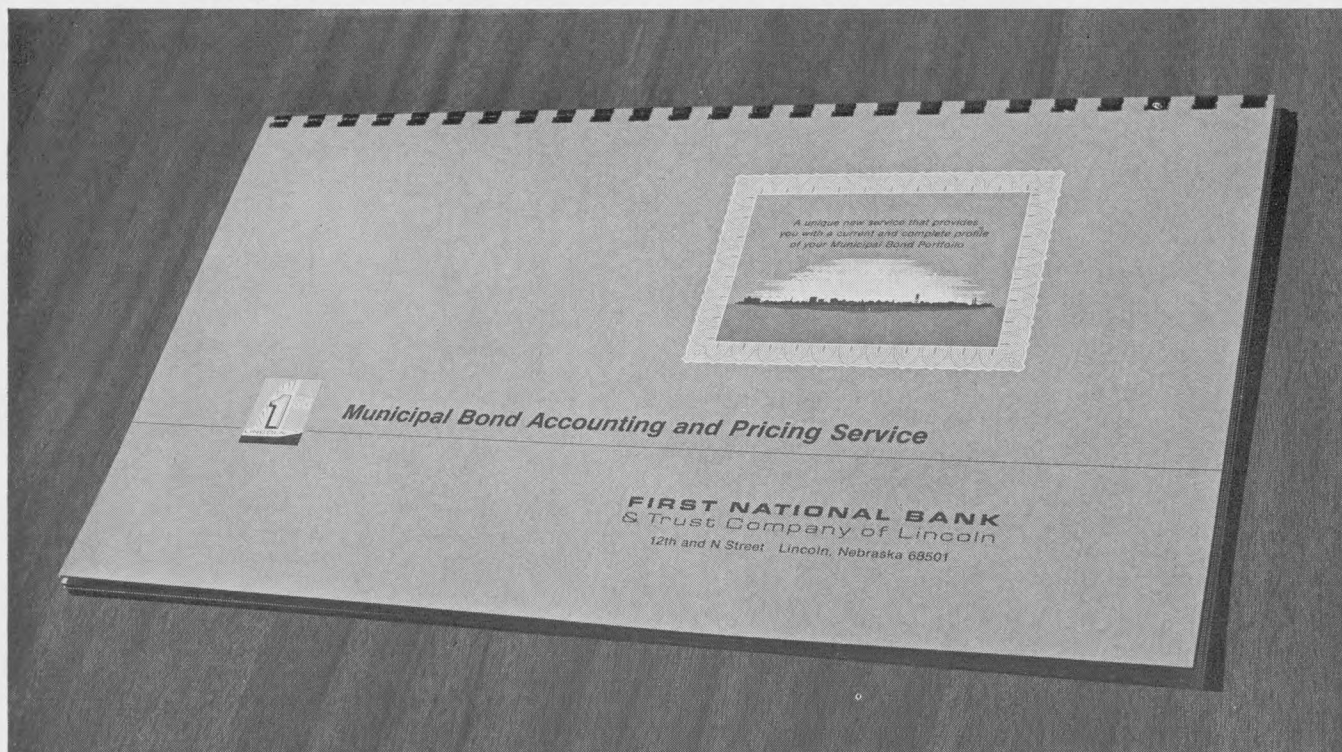
Compared to April 1 of 1968 the number of stockholders is presently up 30 per cent.

The Hammond Mills of Oklahoma City, acquired in January of this year, has operated profitably each month this year.

Plant efficiency in Hammond Mills has already been increased by 10 per cent and a further increase of 40 per cent is anticipated by October 1, when the plant modernization will be completed.

Now from the **1st**...

A UNIQUE NEW MANAGEMENT TOOL!



(it's fully described in this booklet)

Here's what you get

EVERY MONTH...A report on all of your bond transactions from the previous month ■ par and book value ■ net gain or loss ■ and net par value by Bank Examiner Classifications.

■ An Asset Journal fully describing every issue you hold along with par and book value ■ monthly amortization on premium bonds ■ daily interest accrual ■ interest due and bonds maturing during current month.

EVERY QUARTER...A Portfolio Analysis that lists, rates, describes and prices each item in your portfolio ■ shows yield at cost and market ■ amortized book value ■ appreciation or depreciation ■ average yield ■ taxable equivalent yield ■ average maturity ■ book and market value by Bank Examiner Classifications ■ recap of holdings by state ■ recap at Par by Moody Ratings.

There's nothing like it **anywhere**...it's exclusive at the "First".

Call or write—or ask any of our Correspondent Representatives or our Investment Department for complete information.

**FIRST NATIONAL BANK
& Trust Company of Lincoln**



12th & N Street—Lincoln, Nebraska 68501—Phone: 402-477-4455

Northwestern Banker, June, 1969

Omaha News



FRANK O. STARR, 47, has been elected president, chief operating officer and a director of The Omaha National Bank, it was announced last month by **Morris F. Miller**. Mr. Starr assumed his duties during May. Mr. Miller, who has been president, will continue as chairman of the board and chief executive officer.

Mr. Starr moved to Omaha from Detroit where for the past two and one-half years he served as vice president in charge of branch offices. In this position he was responsible for the operation of 100 branch offices employing more than 1,600 people. He also served on National Bank's operating committee and the committee on personnel management. He joined the bank five years ago.



F. O. STARR

Prior to his affiliation with the Detroit bank, Mr. Starr was executive director of Blue Shield in Michigan. He spent 10 years in federal government service earlier, the last two positions being Comptroller of the Veterans Administration in Washington, D. C., and regional director of the Office of Civil and Defense Mobilization.

Mr. Starr was a Navy pilot in World War II. A native of Montrose, S. D., he has B.A. and M.A. degrees in accounting from Strayer College, a private business school in Washington.

Mr. Starr has been very active in work on community problems. He has been a Sunday School teacher and chairman of the special facilities task force committee in his church, the Re-organized Church of Jesus Christ Latter Day Saints.

Mr. Starr is married. His wife and four of their six sons will move to Omaha as soon as the current school term ends. Another son is a law stu-

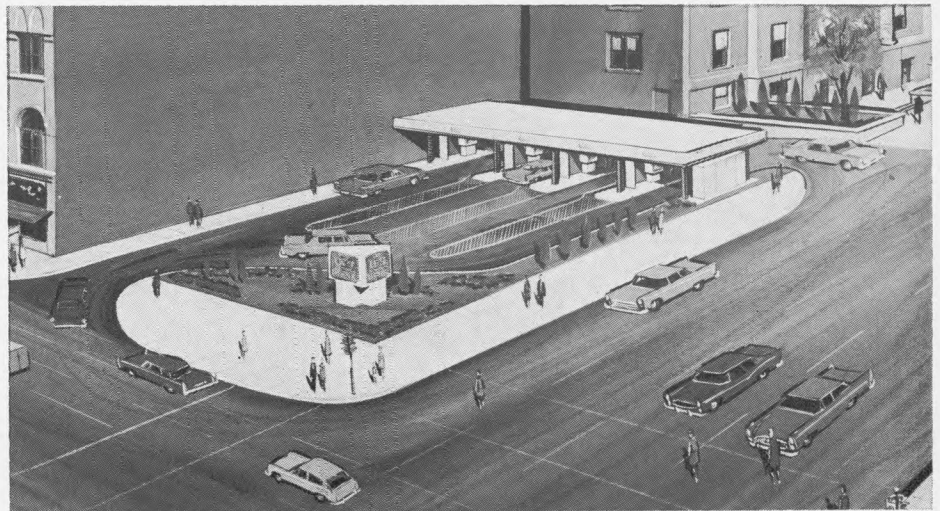
dent at the University of Michigan, and one is a Navy ensign.

* * *

TV auto banking facilities on the northwest corner of 20th and Farnam will become part of the new, multi-million dollar full-service bank structure being built by the United States National Bank of Omaha on the east side of 20th Street between Douglas and Farnam.

U. S. National President **Edward W. Lyman** announced that the bank recently purchased the 7,200 square foot corner lot which is presently occupied by the Congress Hotel Building. A four-station auto drive-up will be completed on that corner by the time the new four-story bank structure is ready for occupancy in early 1970. Drive-in customers will enter the area from Farnam Street and will exit onto 20th Street.

According to vice president and project chairman **Jack Eddy**, the convenient TV drive-up facility will supplement the three park-and-walk-up bank windows located across the street on the Farnam Street level of the main building. Here customers can park and walk to a manned teller area only a few feet away.



DESIGN for United States National's drive-in facility.

Tenants of the Congress Hotel Building are preparing to move their businesses, and will be out in time for demolition to begin on September 1. Hawkins Construction Company is the general contractor.

* * *

Dain, Kalman & Quail, Incorporated has extended its investment banking business into a seventh Midwestern state by acquiring the assets and personnel of **J. Cliff Rahel and Company**, the largest Omaha-based investment firm. The acquisition has been approved by directors of both companies to become effective June 30.

Dain, Kalman & Quail will assume operation of Rahel offices in Omaha and Lincoln, Nebr., and Sioux City, Iowa. Resident managers, sales personnel and other employees at the three offices will join Dain, Kalman & Quail. **Cliff R. Rahel** said his plans are indefinite.

J. Cliff Rahel & Company was founded in Omaha in 1958 by **J. Cliff Rahel** and his son, **Cliff R. Rahel**. It has 50 employees and a full range of financial services.

Wheelock Whitney, chief executive officer of Dain, Kalman & Quail, called the Rahel acquisition "a logical extension of our regional concept in a compatible new market."

In its investment banking and research activities, Dain, Kalman & Quail concentrates on companies headquartered in the Midwest region. Mr. Whitney added that Dain, Kalman & Quail intends to expand coverage throughout the state of Nebraska.

Dain, Kalman & Quail, Incorporated was created in 1967 with the merger of J. M. Dain & Company, Inc. and Kalman and Company, Twin Cities-based firms, and the purchase of Quail & Company, Inc., an Iowa firm.

With the addition of the three Rahel locations, Dain, Kalman & Quail now

Coming this month:



backed by more than
1,000 banks
and honored by more than
400,000 merchants
coast-to-coast.



The Omaha National Bank

has 20 offices in seven states—Minnesota, Iowa, North and South Dakota, Montana, Wyoming and Nebraska. The firm has 475 employees and holds memberships in the New York, American, Midwest and Pacific Coast Stock Exchanges.

Mrs. Jean Cary, senior officer assistant at the First National Bank of Omaha, is the newly elected president of the Credit Women's Group of Omaha, after having served as treasurer for the past year.



Mrs. Cary has been active in the Women's Division of the Omaha Chamber of Commerce, serving on the board of directors for the last three years. Her experience with First National Bank covers several years in the credit department of the bank. She has also been active in public relations and advertising as well as correspondent bank work.

* * *

The Senior Citizens Council last month presented a certificate to officials of the Center Bank for offering "with a smile" free checking accounts to Senior Citizens (see special feature in this issue giving details of this program).

Aubrey Allen, Council president, presented the award to **Ray E. Stanley**,

president of Center Bank. The Council is composed of about 20 Omaha Senior Citizen organizations. **Jerry D. Parks** of the Omaha Parks and Recreation Department is the coordinator of the Senior Citizens Recreational Program, which was set up with a federal grant under Title IV.

* * *

Bernard L. Engels, 41, has been elected vice president of the Center Bank and will take over his new duties July 1. Mr. Engels will also be a member of the board of directors. He is currently president of the Northwestern National Bank at Hastings, Minn., where he has served eight years. Both banks are affiliated with the Northwest Bancorporation.

* * *

The City Council of Omaha recently adopted a resolution designating the property on which the new **First National Bank** building is being constructed as First National Center. The Council resolution cited this as "the biggest single improvement in the history of downtown Omaha" and said "the First National Bank of Omaha . . . has been instrumental in securing . . . a big, modern Hilton Hotel" which is being erected in conjunction with the bank center.

The Council earlier approved the closing of Sixteenth Street between Dodge and Capitol, a main north-south thoroughfare at the north edge of the immediate downtown business section. The Omaha postmaster has also agreed to recognize the bank's address as First National Center for mailing purposes.

* * *

First Security Growth Fund, Inc., of Omaha passed another milestone recently as it surpassed the \$3,000,000 mark in net assets. **Charles F. Heider**, president of the fund, said the monthly growth has averaged more than one-half million dollars since it was organized last September.

Donald J. Murphy, president, and the directors of the Stockyards National Bank announced the election of **Edward G. Miller, Jr.**, vice president of Ed Miller and Sons, Inc., and **Travis**



E. MILLER, JR. **T. C. EVANS**

C. Evans, group manager of Sears Roebuck and Company area stores, to serve as members of the board.

* * *

Newly elected officers of the Omaha Chapter of the American Institute of Banking for 1969-1970 are:

President, **Al Schmid**, Clarke Bank of Papillion.

Vice President **Mike Brady** of the Stockyards National Bank.



A. J. SCHMID

Treasurer, **James Roberts** of the West Omaha National Bank.

Secretary, **Doris J. Capps** of Center Bank.

The four new board of governor members elected at the A I B

Spring Dinner Dance include: **Carol Whitted** of the Stockyards National Bank, Mrs. Capps, **Bruce Jones** of the First National Bank of Bellevue and **David Koenigsman** of the United States National Bank.

* * *

Two members of the United States National Bank staff were honored recently as recipients of the Tenth Annual Distinguished Salesman's Award which is sponsored by the Omaha Sales and Marketing Executives, Inc.

They are **Jay Bordewick**, vice president and manager of the correspondent bank division, and **Jess Zimmerman**, assistant vice president and correspondent bank representative. They were cited for excellence in their ability to handle all types of selling situations and were presented framed plaques to commemorate the awards.

* * *

Wilson & Company, Inc., Chicago, has purchased the assets of **Tuffy Manufacturing Company**, Omaha, it was announced by **Roy V. Edwards**, Wilson president and chief executive officer.

Tuffy produces equipment that auto-



PICTURED at awards ceremony are, left to right: **Ronald Nollette**, a.v.p., Center Bank; **George de George**; **Lyle D eMoss**, Omaha radio announcer; **Ray E. Stanley**, pres. of Center Bank, and **Mrs. Doris J. Capps**, hostess at Center Bank.

Ribbon Cutting Opens New Bank in Beatrice



ASSISTING in the ribbon cutting of the Beatrice (Nebraska) St. Bk. are left to right: **Richard Hovendick**, pres. of the Beatrice Chamber of Commerce; **Roger Buhrdorf**, exec. v.p. and managing off.; **P. H. Kollekowski**, pres. of the Beatrice City Council, and **W. W. Cook**, pres. Also pictured is the officer area of the new Beatrice St. Bk.

WITH the official ribbon cutting on May 14, the Beatrice State Bank held its grand opening. Located in the Indian Creek Shopping Center at the north edge of Beatrice, it is the third bank in the city.

The bank is currently leasing approximately 3,500 square feet of space with an option to lease an additional 600 square feet. Five teller cages are located on the south side of the lobby and the officers' desks are on the north side. The bank has an entrance from the parking lot and a main entrance

off the spacious mall area. A drive-in window is located on the parking lot.

Of modern design, the entire bank area is carpeted. Walls are covered with wood grain paneling and vinyl paneling. Bright colors accent the lobby area.

Officers of the bank are W. M. Cook, president; Roger Buhrdorf, executive vice president and managing officer, and Dan Elseman, assistant vice president. Mr. Cook is also chairman of the board of the Beatrice National Bank & Trust Company.

60th Anniversary

Lisco State Bank at Lisco was founded 60 years ago, opening for business May 20, 1909. It has been in continuous operation under the same name and same charter since its opening. An open house was held to mark the occasion.

Officers of the bank are Harold B. Olson, chairman and president; Thomas H. Olson, executive vice president; Helen V. Olson, vice president; William K. Vogler, cashier, and Helen French, assistant cashier.

matically feeds baby pigs during the three critical weeks following birth. This equipment, sold under the trade name "Pig Mama," enables the producer to increase the number of surviving pigs in a litter and the number of farrowings possible each year.

Wilson & Company, Inc., is a subsidiary of Ling-Temco-Vought, Inc., Dallas, Tex.

* * *

Omaha's 15 commercial banks showed a total deposit increase of \$61 million on April 30 compared to the same date a year ago. Deposit and loan figures for the banks are shown below for April 30, 1968 and 1969.

Deposits

	1969	1968
Omaha Nat'l	\$324,054,380	\$301,795,334
First National	173,167,788	163,326,976
U. S. National	155,980,057	151,908,873
Stocky'ds Nat'l	50,594,435	45,951,585
Center	29,118,390	26,299,603
1st Westside	26,529,084	21,649,345
Douglas County	23,048,193	21,305,141
North Side	21,655,235	19,831,665
Southwest	17,759,964	14,846,845
Packers Nat'l	16,272,580	15,594,471
Security Nat'l	12,128,485	12,363,975
W. Omaha Nat'l	10,245,220	8,162,129
Ames Plaza	8,735,139	7,564,334
First Westroads	4,149,905	2,234,495
Mid City	2,249,650	1,723,350
Totals	\$875,639,014	\$814,558,121

Loans

	1969	1968
Omaha Nat'l	193,777,475	174,339,459
First Nat'l	104,219,798	98,476,516
U. S. Nat'l	110,661,575	96,917,289
Stocky'ds Nat'l	33,750,200	28,139,351
Center	20,293,087	16,257,464
1st Westside	18,942,374	14,329,308
Southwest	13,150,757	10,576,407
Douglas County	12,535,638	10,873,788
North Side	12,243,944	13,712,763
Packers Nat'l	7,984,466	5,372,012
Security Nat'l	6,727,872	7,402,510
West Omaha Nat'l	5,751,325	3,968,230
Ames Plaza	5,715,221	4,679,360
First Westroads	3,364,510	850,896
Mid City	1,774,512	1,234,937
Totals	\$550,892,754	\$487,130,300

* * *

The Omaha National Bank is now providing computer accounting of live-stock feeding operations. This customer service is fully operational and installed on a large feedlot in the Omaha area.

Basically, the system provides a customer billing, all pertinent commodity consumption figures, profit/loss analysis, and inventory control reporting. Even though this does represent fairly sophisticated accounting techniques, the operational end of the program is easily understood and simple to work with, according to **John T. Marcell**, second vice president.

First National Bank of Omaha was host last month at the First Annual BankAmericard Sales and Marketing Seminar for bank executives. The keynote speaker was **D. R. McBride**, president of the BankAmericard Service Corporation, San Francisco.

Several members representing agent banks of First National's BankAmericard program conducted a panel discussion of their successes and common problems.

Included on the panel were **T. M. (Tom) Reardon**, chairman, Western Bank, Sioux Falls, S. D.; **Don Healy**, business development officer, First National Bank, Marion, Iowa; **Russ Makeever**, vice president, First National Bank, Davenport, Iowa; **D. Dale Browning**, assistant vice president and manager, Rocky Mountain BankAmericard Center, Denver, and **Bob Meisinger**, marketing officer, First National Bank of Omaha.

Joins Pawnee City Bank

Joe Heineman, president of the Pawnee County Bank at Pawnee City, has announced the addition of Jim Booth of Troy, Kan., to the bank staff.

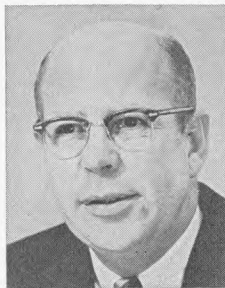


Which way will you move on EDP services ?

Not an easy question to answer! Sure, Electronic Bookkeeping service is glamorous and in the future for many banks. But, is it in your bank's future? Bankers Trust has a highly sophisticated computer system. A number of our correspondents are using it for demand deposits, savings, and time certificate processing. They like the efficiency. They like the superior service. They like the reduction in operating costs.

But we know that EDP is not a good move for every bank. That's where our Feasibility Study comes in. We put our top talent on the survey, men like Jay Tomson, Vice President-Bank Operations, and Paul Griffith, Assistant Cashier, to determine the profitability of EDP in your bank. And, we call a spade a spade. When you want the straight answers on EDP call Bankers Trust, the "show you" bank for all your correspondent needs.

CORRESPONDENT BANK DEPARTMENT



HOMER JENSEN
Vice President

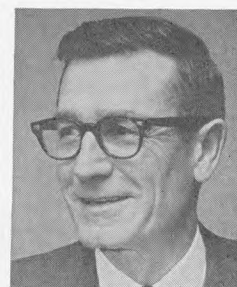


GARY STEVENSON
Correspondent
Bank Officer

COMPUTER SERVICES



O. JAY TOMSON
Vice President



PAUL GRIFFITH
Assistant Cashier



Bankers Trust co.

SIXTH AND LOCUST, DES MOINES

Member: F.R.S. & F.D.I.C.

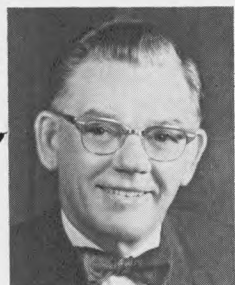
Iowa NEWS

J. W. LIPTON, JR. President Ida Grove

A. E. LINDQUIST, JR. Secretary Des Moines

Announces Candidacy for IBA Vice Presidency

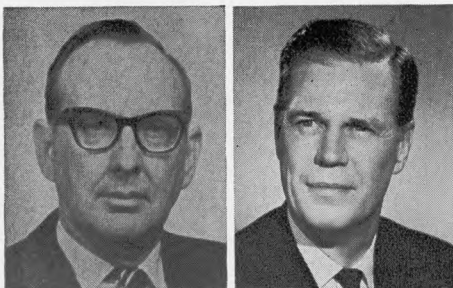
James H. Redman, president of the State Bank, Fort Dodge, has announced his candidacy for the office of vice president of the Iowa Bankers Association for the election to take place at the IBA convention this fall in Des Moines. If



J. H. REDMAN

elected, Mr. Redman would be in line for advancement to the presidency of the association at the 1970 convention.

Mr. Redman is a well-known figure in Iowa banking having worked actively as an Iowa banker for many years and also holding a top position in the Iowa department of banking for several years.



He was born in Buffalo, Minn., but moved to Sac City, Iowa, with his family at the age of 3. Mr. Redman's father was partner in a creamery there for more than 30 years. After completing his primary and secondary education in Sac City schools, graduating in 1929, Mr. Redman enrolled at Drake University in Des Moines.

Prior to the start of his third year at Drake, A. W. Jones was organizing a new bank in Correctionville and asked Mr. Redman to take the position of assistant cashier. He remained at Correctionville until 1938, at which time he moved to Indianola where he had purchased a creamery and operated it for several years.

In 1943 he joined the Iowa banking department as assistant examiner and was rapidly promoted to examiner and assistant to the superintendent. He left the department in January, 1949, upon purchasing control of First National Bank in Glidden. In 1954 he

became president of Nevada National Bank, then in 1958 moved to Janesville, Wis., as executive vice president of Merchants and Savings Bank. The group he was with organized an affiliated bank, the Bank of Janesville, and he was elected president of this new bank, serving both institutions in a dual capacity.

Mr. Redman returned to Iowa in 1964 upon accepting the presidency of the State Bank of Fort Dodge, a 35-year-old institution with \$25 million in deposits.

Special Representative Named at Waterloo Bank

R. L. Kilgore, president of the National Bank of Waterloo, has announced the appointment of W. R. (Bill) Dunkle as special representa-



W. R. DUNKLE

tive for the National Bank of Waterloo. In his position, Mr. Dunkle will be responsible for business development and customer relations.

For the past 13 years, Mr. Dunkle has served as president of Dunkle's Foodland, culminating a 30-year career in the grocery business.

Hold Open House for Public in Independence



OVER 3,000 visitors attended the open house held last month at the newly remodeled Farmers St. Sav. Bk. in Independence. Exterior of the bank (left), received a complete face lifting. Interior of main bank floor (right), features an offset counter arrangement highlighted by light-colored marble and wood-grained Formica.

OPEN house was held last month at the newly remodeled Farmers State Savings Bank in Independence. The over \$200,000 remodeling project began in March, 1967, and has more than doubled the size of the bank by expansion into an adjoining building.

The main floor of the bank is occupied by teller stations and offices, drive-up and walk-up windows and

vault and customer service desks. There are also privacy booths for use by customers who have one of more than 1,300 new safety deposit boxes. An elevator and central air conditioning also have been installed.

Exterior remodeling includes black siding and aluminum grille work, newly designed signs on two sides of the building and a time and temperature

sign.

The basement floor of the structure is devoted to the bookkeeping department of the bank and employees' lounge and restrooms, as well as a record storage and supply room.

The bank has been in operation for 48 years. Rudolph A. Leytze currently serves as president and Percy Sorg as executive vice president.

Iowa Treasurer Discusses Investment of Idle Funds

By Maurice E. Baringer,
Treasurer of State,
State of Iowa
(Delivered at Iowa Bankers Group
Meetings, May, 1969.)

THE treasurer of state has much in common with a banker. Each must meet his obligations on time and, therefore, must maintain adequate liquidity. Each must invest idle funds so as to insure a maximum return for his constituents — whether stockholders or taxpayers. And each must take a keen interest in the economic and social development of his “community.”

If our only goal is to earn as much interest as possible on idle state funds, there really is no contest. The state currently earns 6-7 per cent on idle funds, investing day by day in short-term government obligations. Further, we earn this type of return on the full amount in question, because we have no legal reserve requirement.

Total Return Another Matter

If, on the other hand, we are looking at total return on investment for the state of Iowa, we are talking about something else. We can continue to invest as we do to maintain necessary safety and liquidity. Then, when funds are truly “idle”—that is, are not needed to maintain liquidity—the treasurer could and, in our opinion, should consider re-investing in time deposits in Iowa’s banking system, and, hence, in the Iowa economy. We now have more than \$48 million invested in government notes and bonds.

With this amount having been invested in relatively long-term U. S. government notes and bonds during the past three years, liquidity obviously has not been a problem where these funds were concerned. Further, unless these securities are held to their respective maturities, Iowa taxpayers run the risk of market losses, should the need to sell them arise. In a spot-check of the market, as of April 10, 1969, these state investments were down \$1 million in value and the average yield to that date was a mere 4.30 per cent. On the other hand, if we can hold them to maturity, the average yield will be 5.38 per cent. We are inclined to question the advis-

ability of this type of long-term investment because it takes money out of Iowa. The same \$48 million, had it been invested in bank time deposits at the prevailing rates, at prevailing frequencies of compounding interest and for the same lengths of time would have yielded 5.47 per cent. So Iowa gained nothing by investing in this manner; and the money was lost to the banking system and to the Iowa economy.

Multiplier Effect

We don’t feel the need for any lengthy debate over the familiar “multiplier” effects that result from derivative bank loan deposits. Any economic advisor to any Federal Reserve Bank can attest eloquently to the multiplier effect. Dr. Chester Phillips, dean emeritus of the College of Business Administration, University of Iowa, is most lucid in his explanation of how this works. Dr. Lewis E. Davids, Hill Professor of Bank Management at the University of Missouri, explained it fully in the August, 1966, issue of *NORTHWESTERN BANKER*. We are impressed that our sister state Missouri relies heavily on its banking system for investment of idle funds. We are impressed, too, that Illinois finds that a relatively modest interest earnings figure from bank deposits, coupled with sales and other tax revenues resulting from investment of idle funds in Illinois banks, produces more income for that state than a program of investments in the government securities market.

Rate Increase

With the rates Iowa banks now can charge their customers increased from 7 to 9 per cent, we feel that more money will stay in Iowa as well as maintain a competitive position for investment by financial interests outside of Iowa.

With regard to the rates banks may pay for state deposits, we believe the rate-setting procedure should be changed and that we should direct all necessary efforts to liberalize this rate . . . so that any Iowa bank, indicating a sincere intention to invest state funds in its community, can have excess reserves available to expand its lending capacity.

Whether a commercial bank is large or small, it is the one instrument in its community that can create new money . . . by lending.

Realignment Announced At Denison Bank

The board of directors of the First National Bank of Denison has announced the election of Joseph G. Vaage as president, Ronald Havlik as vice president and cashier and George Evers as assistant vice president. Mr. Vaage replaces T. C. Aarestad who retired as president on June 1, but will continue on the bank’s board of directors.

Mr. Aarestad steps down from a very active career as a Denison banker after 44 years of service. Born in Halstad, Minn., he came to Denison from Grafton, N. D., in 1941 and became president of the First National in January, 1947. He has completed 40 years of service with the Northwest Bancorporation Banks. Most recently Mr. Aarestad’s activities outside the bank have been chiefly concerned with Midwestern College.



T. C. AARESTAD



VAAGE

HAVLIK

EVERS

Mr. Vaage is a 1950 graduate of St. Olaf College in Northfield, Minn., and worked for the examination department of the Northwest Bancorporation upon his graduation. In 1955, he moved to Denison where he was elected cashier of the First National and in 1968 was appointed vice president and cashier, as well as a member of the board.

Mr. Havlik is a native of Cedar Rapids and joined the credit department of the Northwest Bancorporation of Minneapolis in 1960. He was elected assistant vice president of the State Bank of Virginia, Minn., in 1963 and came to Denison in 1968, where he has since served as assistant vice president.

Mr. Evers is a native of St. James, Minn., and has served with the First National since 1965. He was with Production Credit Association for two and a half years before joining the Denison bank.

PSSST.

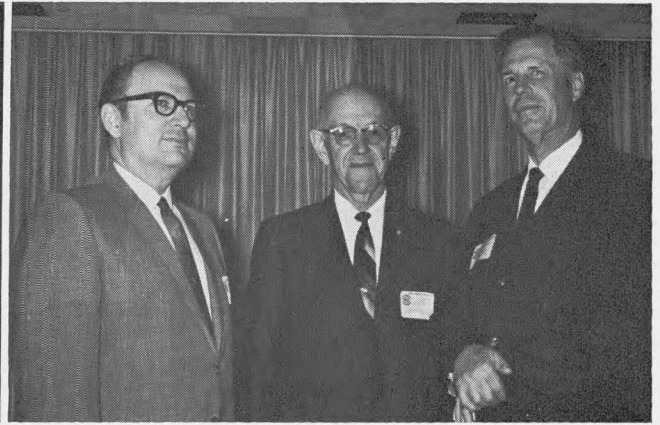
HOW'D YOU LIKE A GOOD PUNCH IN THE CARD?

All you have to do is say the word. 'Cause I'm a rough, tough IBM system 360/40 computer. And I can take on any kind of banking assignment you give me. Like proof and transit, demand deposit accounting, direct on-line savings, and automatic compounding of time certificates of deposit. And a whole lot more, too. Just ask the National Bank of Waterloo about their computer service for other area banks and customers. After all, a good punch in the card never hurt anybody.



NATIONAL BANK OF WATERLOO • 110 EAST PARK AVE. & 315 E. 5TH • WATERLOO, IOWA 50704

MEMBER FDIC



GROUP 4 meeting in Elkader was planned by **Mr. and Mrs. J. E. Shaffer**, exec. v.p., Central State Bank, Elkader; **R. M. McQueen**, chmn. of Group 4 and v.p. & cash., Farmers State, Ridegway, and Secy. **R. E. Tool**, Farmers & Merchants Savings, Manchester. **RIGHT**—New officers of Group 7, elected in Cedar Rapids, were: Chm. **Donald Noller**, pres., First Natl., Evansdale; and Secy. **R. E. Tool**, Farmers & Merchants Savings, Manchester. **RIGHT**—New officers of Group 7, elected in Cedar Rapids, were: Chm. **Donald Noller**, pres., First Natl., Evansdale; and Secy. **A. V. Dieken**, pres., Farmers Savings, Grundy Center. IBA Secy. **Art Lindquist** is shown at right.

Group Meetings Draw Big Crowds

By **MALCOLM FREELAND**
Publisher

A NNUAL group meetings for the Iowa Bankers Association were well attended last month despite adverse weather conditions on several of the days meetings were scheduled. The traveling contingent composed of IBA officials, program speakers and correspondent bank representatives from numerous city banks all had an opportunity to try their driving skill on rainy highways.

Maurice Baringer, Treasurer of the State of Iowa, addressed each of the group meetings and his remarks are reported in a special summary on an adjoining page.

John Chrystal, who will retire June 30 as Iowa superintendent of banking, reviewed Iowa banking developments that have taken place in his five years in office, noting especially the marked change in deposit mix that has resulted in all banks since changes were made in Regulation Q.

He reiterated his feeling expressed at the two group meetings held earlier in the year, Groups 1 and 11 at Sioux City and Burlington, that a bank having an office in a community should not have to close it if another group comes in with a bank charter. To illustrate his point, he announced at

New Group Officers

Group 3—Chairman, Albert L. Morse, executive vice president, Home Trust and Savings Bank, Osage; secretary, Harold M. Walton, vice president, First National Bank, Mason City.

Group 5—Chairman, Raymond Graalfs, assistant vice president, State Bank and Trust Company, Council Bluffs; secretary, Winfield S. Mayne, president, Montgomery County National Bank, Red Oak.

Group 7 — Chairman, Donald E. Noller, president, First National Bank, Evansdale; secretary, A. V. Dieken, president, Farmers Savings Bank, Grundy Center.

Officers for even-numbered groups are elected in even-numbered years. New officers for Group 1 and Group 11 were elected in February and reported in the March issue.



LADIES' LUNCHEON at Group 8 in Muscatine was headed by **Mrs. James W. Lipton**, wife of IBA president; **Mrs. Jack Rigler**, wife of pres. of Central State Bank, Muscatine, and **Mrs. George Shepley**, wife of pres. of First Natl., Muscatine. **RIGHT**—**Mrs. Christy Armstrong**, left, wife of exec. v.p., American T&S, Dubuque, is shown with ladies attending Group 4 meeting in Elkader.

Are you taking advantage of "Spread Banking?"

Ask Max Roy,
your La Salle man in Iowa,
how it can add to your profits.



He's a good man with a great bank behind him.



La Salle

NATIONAL BANK • 135 S. La Salle St., Chicago, Ill. 60690 • 312/782-5200

Your good friend on the financial main street of Mid-America



Northwestern Banker, June, 1969



LEFT—James H. Redman, pres., State Bank, Fort Dodge, who has announced his candidacy for the office of vice pres. of the Iowa Bankers Association at the election this fall, pictured with **Luin B. Cox**, chmn. of Gp. 2 and exec. v.p., First State Bank, Belmond; **RIGHT**—Raymond Graalfs, new egmn. of Gp. 5 and v.p., State Bank & Trust, Council Bluffs, with **Winfield S. Mayne**, new secy. of Gp. 5 and pres., Montgomery County Natl., Red Oak.

Group 6 that Bankers Trust Company of Des Moines had just been granted that week a charter for conversion of its office in Windsor Heights, a large suburb adjoining Des Moines at the northwest part of the city.

Bankers Trust has operated the office in Windsor Heights since August, 1959. When another charter was sought recently in that community, Bankers Trust was first offered the opportunity to capitalize its office as a separate bank in order to stay in business there and keep the accounts it had developed during the past decade. This was done, and the office then had to be spun off as a separate bank. Mr. Chrystal feels strongly that offices should be permitted to remain in a community where the bank has done all the work to develop a banking business and not be forced to close up and walk off because someone else wants a charter there.

In regard to agriculture, he thinks Iowans better not look to foreign markets for sales of surplus. He stated that adoption of western culture farming techniques, development and use of better hybrids, and more progressive over-all attitudes of farming are

rapidly increasing food output in nations where we were only recently being pushed hard to help with our surplus. He states that increased costs will continually make it necessary to have larger farm units here in the midwest, operating on lower margin with greater production.

He decried the lack of dollar production available to large farmland owners. As an example, he cited a \$370,000 ownership of one section that could produce \$80,000 in corn. About \$200,000 could be borrowed, he said, against the land, leaving \$170,000 of equity producing only \$80,000; whereas, in just about any industry, that kind of equity would produce millions of dollars in sales. Farming, he said, has too much equity.

He predicts a difficult time ahead for small banks to acquire deposits and capital. "This leads me to conclude," he said, "that we will have a smaller number of banks." He said that farsightedness on the part of the Iowa Bankers Association leadership 40 years ago has provided a means of combining banks and retaining service offices in those communities needing a limited facility. This, he states, is a

viable solution obviating the need for branch banking. In effect, he said, Iowa has had limited branch banking the past four years. He thinks the industry should have said four years ago that parking lot offices could make officer approved loans and been straightforward about it, since this is what is actually being done.

Mr. Chrystal also says some banks are not straightforward when they do not report official family debts to supervisory authorities. "These have been the source of every single bank difficulty since I've been superintendent," he said, "and I suppose they will continue to be."

He thanked Iowa bankers for their cooperation during his five years in office, which included inaugural of a direct verification program by state examiners, and said he appreciated the "on-the-job training" given him in the banking business.

Collin W. Fritz, who will succeed Mr. Chrystal as superintendent on July 1, traveled to the group meetings with him. He paid high tribute to the work accomplished by Mr. Chrystal



MUSHROOM KING—Jay Blackford, v.p., Iowa Bankers Assn., and pres., Union Bk., Ottumwa, receives a special "award" on mushroom hunting from IBA Pres. **James W. Lipton**, exec. v.p. & cash., Iowa County St. Bank, Ida Grove, during group meetings. Mr. Blackford is a recognized authority on the art of mushrooming.

We can help you . . .

MUNICIPAL BONDS

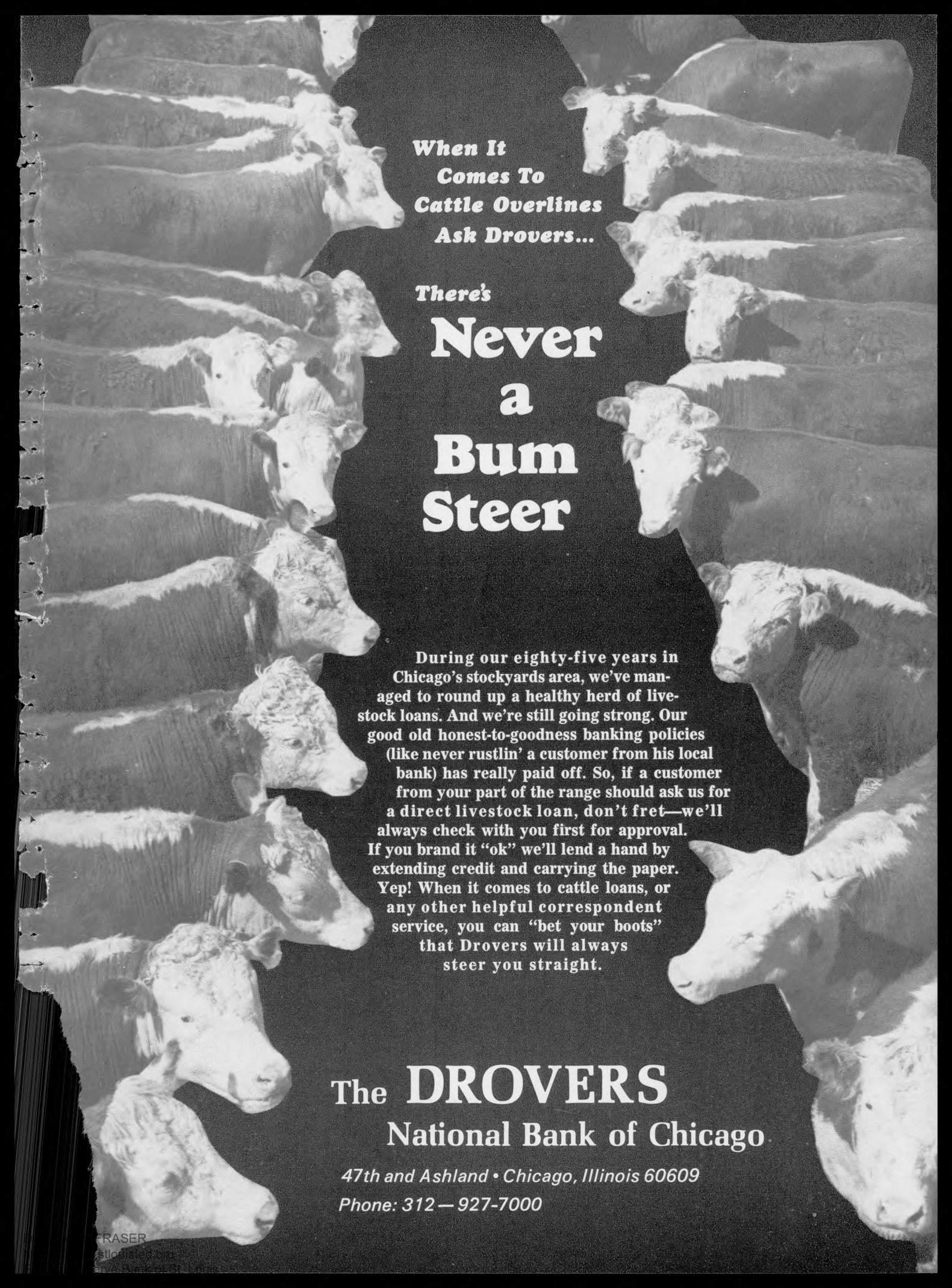
Are you overlooking tax savings on your investments?

VanHorne

Investments, Inc.

FARM CREDIT BUILDING - OMAHA

402/345-2241



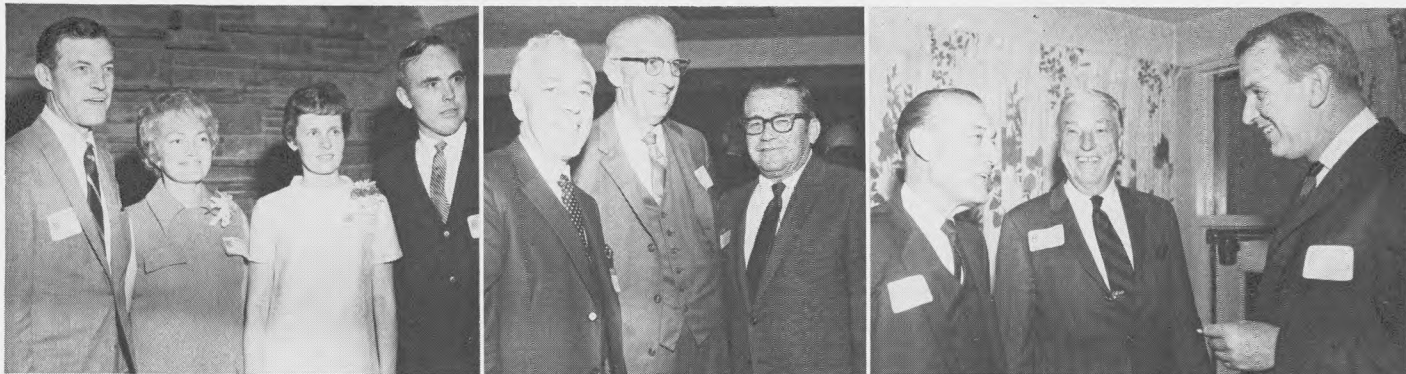
**When It
Comes To
Cattle Overlines
Ask Drovers...**

**There's
Never
a
Bum
Steer**

During our eighty-five years in Chicago's stockyards area, we've managed to round up a healthy herd of livestock loans. And we're still going strong. Our good old honest-to-goodness banking policies (like never rustlin' a customer from his local bank) has really paid off. So, if a customer from your part of the range should ask us for a direct livestock loan, don't fret—we'll always check with you first for approval. If you brand it "ok" we'll lend a hand by extending credit and carrying the paper. Yep! When it comes to cattle loans, or any other helpful correspondent service, you can "bet your boots" that Drovers will always steer you straight.

The DROVERS
National Bank of Chicago

47th and Ashland • Chicago, Illinois 60609
Phone: 312 — 927-7000



GROUP 6—Collin W. Fritz (left), sr. v.p. & t.o. of Jasper County Savings Bank, Newton, was elected chmn. last year of Gp. 6 for a two-year term. However, he has accepted appointment as Iowa superintendent of banking effective July 1, so he submitted his resignation as a group officer. Mrs. Fritz is next to him, then Mrs. Taylor and Dave Taylor, pres. & t.o., First Federal State Bank, Des Moines. Mr. Taylor was elected Gp. 6 secy. last year and at the meeting last month was also appointed chmn. for the balance of the term. CENTER—Sam McHose, chmn., Nevada Natl., Nevada; Harold P. Klein, first sr. v.p., Iowa-Des Moines Natl., Des Moines, and Kermit Anderson, pres., Nevada Natl. RIGHT—Arnold E. Peters, pres., Jasper County Savings Bank; Newton; B. C. Grangaard, chmn. & pres., Central Natl. B&T, Des Moines, and John Chrystal, Iowa supt. of banking, who will leave office June 30 to return to Coon Rapids as pres., Iowa Savings Bank.

and his staff, as did other officials of the IBA. Mr. Fritz said he had an opportunity last month to participate in an FDIC seminar in Washington, D. C., at the invitation of Mr. Chrystal and found that men from other states were discussing the same types of problems that confront the industry in Iowa. He feels that operation of the dual banking system will become increasingly difficult with matters like Regulation Q, as an example, being superimposed on the entire banking structure, thus biting into dual supervision.

James W. Lipton, Jr., president of the Iowa Bankers Association and executive vice president and cashier of Ida County State Bank at Ida Grove, made a blistering attack on Regulation Z and the time-consuming, expensive procedures that must be followed to comply with bulky Federal Reserve Board regulations governing all lenders. He noted that the banking industry seems to be the only part of the financial industry that has taken the time to try to disseminate to its members what the regulations are all about and to hold meetings to instruct the membership on details of the program.

In addition to Regulation Z, Mr. Lipton was critical of continuing efforts being made by governmental bodies to inject themselves into competitive situations with private industry.

Edward J. Hickey, Jr., representing the Federal Reserve Bank of Chicago, was on the second week of group meetings with a summary of the "Truth in Lending" law, or Regulation

Z. Most of the points he covered were pretty much standard descriptions from the Fed's booklet on the subject. until he told his audience that Federal Reserve regulations also require a lender to stipulate in writing if the right of offset is to be used in the event the loan goes into default. This point had not previously been made apparent in previous information given out on Regulation Z and there was some confusion and question about its intent. Mr. Hickey stated that an interpretation from Washington officials of the Fed states that if a borrower's funds in the bank can be seized by the bank to be set off against a defaulted loan, then this has to be stated ahead of time.

When asked later if this meant that a bank could not collect its defaulted loan from a customer's checking or savings account if this statement was not on a note agreement. Mr. Hickey replied in the affirmative. He was asked how a collection procedure had anything to do with the intent of Z, which is disclosure of money costs,



PRESIDING at Group 8 in Muscatine were Chm. L. J. Horst, v.p. & cash., Central State, Muscatine, and Secy. Le Roy A. Mohr, exec. v.p., Miles Savings Bank.

GROUP MEETINGS . . .

(Turn to page 110, please)



ENJOYING GOLF at Group 7 meeting in Cedar Rapids were Robert J. Sterling, pres., Bankers Trust, Des Moines, and W. "Bill" Summerwill, chmn., Iowa State B&T, Iowa City. CENTER—Greeting new Iowa supt. of banking, Collin W. Fritz (right) is Christy Armstrong, exec. v.p., American T&S, Dubuque. Mr. Fritz attended all the group meetings in May. RIGHT—Frowick, v.p., Continental Illinois Natl. B&T, Chicago, checks golf scores with Homer Jensen, v.p., Bankers Trust, Des Moines at Elkader.

THE PHONE CORPS:

**When
Tim Granzeau
talks municipal bonds,
Iowa buyers listen.**

Iowa is Tim's territory. It's his business to know Iowa customers. What they need—what they want. That's how he can offer the best selection of municipal bonds, U. S. securities and agencies.

Tim is backed by the Phone Corps at The First. So he's ready with computerized facts *before* he calls. And he can get details instantly. But there's no need to wait for Tim's call: phone him collect. (312) 732-8364. And ask him about our new portfolio evaluation service. You'll want to listen when he starts talking.

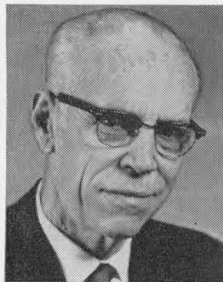
The First National Bank of Chicago
Bond Department





Des Moines News

S. G. BARNARD, vice president and cashier of Bankers Trust Company, observed his 40th anniversary of employment with the bank on April 27. Mr. Barnard began work on that date in 1929 as a bookkeeper. In following years he worked in various commercial departments before transferring to the trust department in 1943 as assistant secretary.



S. G. BARNARD

He was named a trust officer in 1950 and was elected secretary and trust officer in 1952, in which capacity he headed that department until 1959. On May 15, 1959, he was elected vice president and cashier of Bankers Trust Company, following the death of Fred C. Atkins, who had held that post for many years.

Mr. Barnard is well-known to thousands of Iowa bankers through his additional assignment as manager of the registration desk for the Iowa Bankers Association's annual conventions the past 30 years. Mr. Barnard recalls it took more clerks to handle the registration desk two and three decades ago—usually six girls and two men, with bankers lined up 10 deep—when 3,000 to 4,000 persons could register during the first morning. Former IBA Secretary Frank Warner then conceived the idea of promoting advance registration and this has worked so successfully that Mr. Barnard has run the registration desk the past two conventions with just two Des Moines convention bureau assistants. Convention registration meanwhile has stayed well above the 5,000 mark the past few years.

* * *

The Highland Park State Bank has installed a Burroughs B340 electronic

computer system, according to **Charles Grochala**, executive vice president.

"We have experienced rapid growth in the past few years, necessitating the opening of a new office," Mr. Grochala said. "The new computer system will enable us to keep pace with the demands of our expansion, and we will also offer service bureau facilities to our customers and to other banks."

The B340 will process proof and transit, demand deposit accounting, savings and installment loans.

* * *

R. G. Dickinson and Company, investment securities broker, has promoted **Everett T. Leifson** and **Hugh W. Jenkins**, to vice presidents.

Mr. Leifson was comptroller of Iowa Paint Manufacturing Company, Des Moines, before joining Dickinson as a registered representative.

Mr. Jenkins has been with Dickinson since 1964 and continues as resident manager of the Spencer office.

* * *

Robert J. Sterling, president of Bankers Trust Company, has announced that **Arthur D. Torgerson** has joined Bankers Trust Company as vice president and commercial loan officer.



A. D. TORGERSON

Mr. Torgerson is a graduate of Concordia College, Moorhead, Minn., and the Pacific Coast School of Banking, Seattle. He has been in the banking business for 20 years, the first 10 years with the Merchants National Bank and Trust Company of Fargo, N. D., and most recently he has been with The Arizona Bank as vice president and manager of its \$15 million Camelback office in Phoenix.

* * *

Two men have been promoted by

Northwest Des Moines National Bank. **Donald L. Calkins** has been promoted from assistant cashier to assistant vice president and **William H. Withey** from officer trainee to assistant cashier.

Mr. Calkins, formerly the Johnston office manager, is now assigned to the Beaverdale office in the installment loan department. Mr. Withey also will be assigned to the installment loan department.

Jerry R. Whalen, who joined the bank staff in April as operations officer, has been appointed assistant vice president.

* * *

Mrs. Lila Dotson has been named senior customers secretary, a new executive position, for the First Federal State Bank, according to **David Taylor**, president.

Mrs. Dotson's duties will be in the areas of financial counseling and account service for bank customers over 65 years of age. The bank has recently eliminated service charges on checking accounts for such customers.

Mrs. Dotson has served in various capacities in the bank for over seven years.

* * *

Robert J. Sterling, president of Bankers Trust Company, has formally announced that bank's intention to enter into the corporate time certificate of deposit market, stating that Bankers Trust Company will actively pursue time certificates of deposit in amounts ranging from \$100,000 to \$1,000,000 with maturities from 90 to 270 days. Maximum interest rates paid on these types of time certificates are regulated by Regulation "Q" of the Federal Reserve System and currently range from 6 to 6¼ per cent.

While it has been a common practice for some time by the large money market banks located in New York and Chicago to aggressively solicit corporate time certificates of deposit in substantial amounts, Bankers Trust Company is the first commercial banking institution in Des Moines and in Iowa to make a formal announcement that it will seek these types of funds.

Mr. Sterling has indicated that even with the stringent measures of fiscal and monetary restraint currently experienced, a strong demand for legitimate credit by Iowa businesses is much in evidence. Additional funds obtained will be made available to serve these needs.

Open House at Boyden

The Farmers Savings Bank of Boyden held an open house in its new bank building last month. Over 1,500 attended the open house.

Some of our people are missing



We wanted to run a picture of our correspondent department in a group. So you could see what they looked like. But we couldn't find a time when they were all in. You see, our correspondent department believes in service. On-the-spot service. So they travel a lot. Day or night to serve our correspondent banks. Person-to-person service. If that's the kind of service you want from a correspondent bank, call. Then our men will call on you. Maybe we won't get the picture . . . but you will.

**You don't
need us.
We need you!**

“C” **Central National Bank & Trust Company**
LOCUST AT SIXTH AVENUE, DOWNTOWN DES MOINES, PHONE 243-8181 • MEMBER F.D.I.C.



PRESIDING at Group 10 is Chmn. **Lester Poole**, v.p., Peoples Natl., Albia. **RIGHT**—Visiting at Group 10 are, from left: **Ray Park**, v.p., Centerville Natl.; **Ed Kadera**, a.e., Merchants Natl., Cedar Rapids; **Bill McKinley**, Deluxe Check Printers, Des Moines, and **Joe Phernetton**, v.p., Merchants Natl., Cedar Rapids.



MORE THAN 1,000 attended the Gr. 3 meeting in Clear Lake. Key Speakers included, from left: **Maurice E. Baringer**, treasurer of Iowa; **Edward "Moose" Krause**, dir. of athletics of Notre Dame; **George Nigh**, Lt. Gov. of Oklahoma; **James W. Lipton**, pres., Iowa Bankers Assn., and **John R. Martin**, chmn of Gr. 3, and pres., Forest City Bk. & Tr. Co. Nationally-known singer **Margaret Whiting** was the star attraction of the evening show.



CHARGE CARDS frequently receive special promotion. Here **Ed Spetman, Jr.**, pres., Council Bluffs Savings Bank, is "surrounded" by BankAmericard girls from the First Natl. of Omaha. The girls are from left: **Connie Bruner**, **Carolyn Parker** and **Janice Palmer**.

GROUP MEETINGS . . .

(Continued from page 106)

and replied that the Federal Reserve apparently felt it had the prerogative to go into this area as well, regardless of what state laws might stipulate in regard to a lender's ability to recover through offset.

The part of the regulation that apparently refers to his point is believed to be in Section 226.8—Credit Other Than Open End—Specific Disclosures, part (e) Finance charge payable separately or withheld; required deposit balances, page 15 of "What You Ought

to Know About Federal Reserve Regulation Z," issued by the Fed.

Group 6 had a "new look" that was readily apparent to all who had attended this meeting in past years. Group officers had decided to move the meeting to Des Moines this year because of its central location and larger facilities. The turnout vindicated their judgment. The meeting room was set up for about 60 chairs, and this number turned out to be inadequate by far. More than 300 persons registered for the meeting at Des Moines Golf and Country Club. Following the meeting, a social hour was held, a delicious buffet dinner was served, and Lt. Gov. George Nigh of Oklahoma was the speaker.

A number of bankers brought their

wives for the evening event and dancing continued to the Rosemary Lehman trio until midnight.

Arthur E. Lindquist, Jr., secretary of the Iowa Bankers Association, gave a report on legislation at each meeting. The Iowa legislature was in the final days of its 1969 session as the meetings progressed, so some of the bills he discussed had not received final disposition.

Oklahoma's Lt. Gov. George Nigh entertained his audiences at several of the group meetings where he spoke, relating with much humor incidents pertaining to political life in general and Oklahoma politics in particular. —End.

WAYNE HUMMER & CO.
CHICAGO

MEMBERS
NEW YORK STOCK EXCHANGE

YOUR STATE BANKERS ASSOCIATION
OFFICIAL SAFE, VAULT AND
TIMELOCK EXPERTS
F. E. DAVENPORT & CO.
OMAHA

E. F. Kooker Associates
**BANK
DESIGN CONSULTANTS**

BOX 87 PH. 1-712-2621499
SPENCER, IOWA 51301

How We Hit \$30 Million in 13 Years

(Continued from page 35)

parents finances and we have an undetermined number of accounts from families who come to Center Bank because of the Senior accounts.

Mr. Nollette's brother has access from an airline company to hundreds of current magazines which were formerly destroyed. He brings them to the bank, and we distribute them to the five Omaha Housing Authority apartments for Senior Citizens and to various nursing homes.

Cost of Accounts

Every banker is cost-conscious these days. So we have tried to determine the cost of these accounts. In the first quarter of 1969, these customers wrote an average of 10 checks per month per account and averaged one and one-half deposits. Each item run through the computer costs us 1.4 cents, so each account has computer costs of a little over 16 cents per month. Our statement envelopes cost 1½ cents, postage for mailing statements 6 cents and up. The first 50 personalized checks are free to us from the printer and after that, it costs us about 1 cent per check. So roughly, the out-of-pocket expense is about 33½ cents per account minimum. This does not include overhead, handling, etc., as we have no figures available for these items.

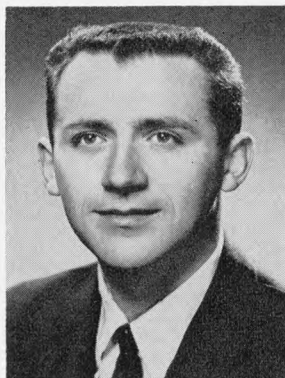
We feel the balances maintained and the other accounts we have acquired, justify the expense involved. They

are a stable group, rarely move and many conduct their banking entirely by mail. The good will they generate cannot be measured. Since the first of April, another suburban Omaha bank has started offering this same service.

Human Relationships

We feel we are offering a real community service, which should be the function of every bank. Many of these customers come to us for personal advice and we have established a rapport with many of them. Some situations are amazing, some heartbreaking. Mr. Nollette had an experience which illustrates how vulnerable these customers are to con-artists. One 75-year-old widow started taking dancing lessons "to get rid of her dizzy spells." After the elementary course, she was told she should take the advanced course and signed a blank contract, which turned out to be in the amount of \$2,000. Her only income was a monthly social security check for \$73 and her savings account had been used during the 12 years of her husband's illness. When the dance studio began to harass her, she came to Mr. Nollette for advice and he interceded in her behalf. He advised her when she got a small inheritance and helped her prepay her phone and utility bills. Several months ago she received the final settlement of her aunt's estate, about \$3,500, and you can probably guess the rest—she's talking about taking more dancing lessons!—End.

Newest Member of the SERVICE TEAM



STAN FREDERICKS

Joins:

Les Olson
Richard Breyfogle
Leo Stavas
Dennis Vellek

Phone:

(712) 255-7926

THE TOY NATIONAL BANK

SIoux CITY, IOWA

Honored for 50 Years

Harry S. Lekwa, chairman of the board of the Ackley State Bank, Ackley, was honored last month at a dinner commemorating his 50 years of active banking. Mr. Lekwa is a past president of the Iowa Bankers Association and served eight years on the State Banking Board.

Joins Banking Department

Ron Greeson has accepted a post as assistant bank examiner with the Iowa Department of Banking, located in Grinnell. For the past four years, he has been an instructor at Preston Community School, Preston.

Open Hiawatha Office



PARTICIPATING in ribbon cutting ceremonies at the new Hiawatha office of the Farmers St. Bk., Marion, are (left to right): **Floyd Emmons**, dir.; **Jack Parmenter**, v. p. and cash.; **George Bowler**, mayor of Hiawatha; **James Mollenhauer**, a. v. p. and mgr. of Hiawatha office; **Morris F. Neighbor**, pres.; **Clinton Moyer**, dir.; **Frank Frederick**, and **Edward Ford**, architect.

THE Farmers State Bank, Marion, has announced the opening of its Hiawatha office. Hiawatha is a community of approximately 2,200 population located northwest of Marion.



J. MOLLENHAUER

The new office is equipped to handle all banking needs, including vault with safe deposit boxes, four inside teller windows and drive-up window. There is also a community room available to local groups.

James Mollenhauer, assistant vice president, has been named manager of the Hiawatha office, where an open house was held on May 25.

Bank Directory Corrections

The following corrections should be

made in the recently mailed 1969 Iowa-Nebraska Bank Directory:

Atlantic: The correct phone number for Atlantic State Bank is 712-243-1140.

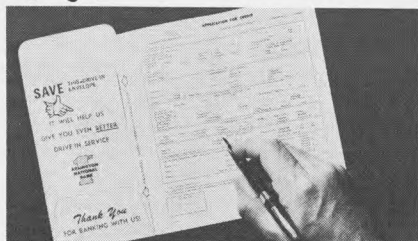
Dyersville: Ed Lauerman, Jr., is vice president and cashier of Fidelity Bank & Trust as listed in the book. However, he was inadvertently included also as a vice president in the listing for Dyersville National Bank. His name should be deleted from the Dyersville National list of officers.

New Officers at Marion

The board of directors of the Farmers State Bank, Marion, elected the following officers at a recent meeting: Cleon Herriott was elected business development officer and assistant farm representative. Richard C. Hare was promoted from assistant cashier to installment loan officer, and William A. Reilly also was named an installment loan officer. Hildajune Parker was named assistant operations officer and Nancy Mangold, executive secretary.



Can you stop your drive-in patrons to sell other services?



Tension DRIVE-IN deposit envelopes can sell them.

Whatever banking service you're promoting, whatever type of loans you prefer to make, Tension creative design, applied to Tension drive-in deposit envelopes, gives you a powerful merchandising tool — even provides a complete loan application. Call a Tension specialist or contact:



SEND FOR FREE BOOKLET

TE-284

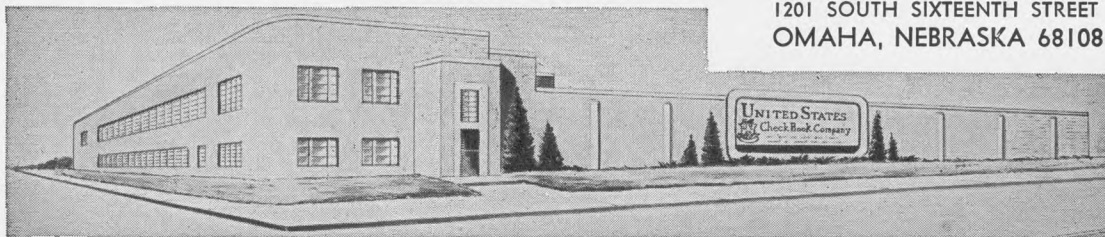


TENSION ENVELOPE CORPORATION

1912 Grand Avenue, Des Moines, Iowa 50305

FACTORIES: S. Hackensack, New Jersey / Memphis, Tenn. / St. Louis, Mo. / Des Moines, Iowa / Minneapolis, Minnesota / Kansas City, Mo. / Ft. Worth, Texas / Los Angeles, California.

United States Check Book Company



1201 SOUTH SIXTEENTH STREET
OMAHA, NEBRASKA 68108



WINNERS CIRCLE—Robert L. Walton, pres., Farmers & Merchants St. Bk. of Bushnell, and Willis Alexander, pres., American Bankers Assoc., visit with Myron Heins, pres., Bank of Pontiac (right) following his election as IBA pres. **RIGHT**—Frank

Price, pres., LaSalle Natl. Bk., Chicago, minority candidate for pres., is shown with some of his ardent boosters previous to the election.

Illinois Bankers Elect Myron Heins; Defeat Study Plan

By MALCOLM FREELAND
Publisher

A STRONG voice of opposition was raised at the 78th annual convention of the Illinois Bankers Association last month in Chicago as a "minority" slate of officers were nominated in addition to the traditional candidates supported by the Association's nominating committee.

Following a secret ballot taken among all registered member banks at the convention, Myron Heins, president of the Bank of Pontiac, was elected IBA president to succeed Allen P. Stults, president, American National Bank and Trust Company, Chicago.

The "minority" slate was made up of Frank G. Price, president, LaSalle National Bank, Chicago, for president; Todd Ward, president, Lincoln Trail State Bank, Fairview Heights, for vice president; Lewis J. Dunn, president,

Union National Bank, Chicago, for second vice president, and John Cotton, president, Evanston Trust and Savings Bank, for treasurer. The group advocated a Blue Ribbon Study Commission to be created under the auspices of the state government which would have as its responsibility the evaluation of the adequacy of the present banking structure in Illinois in terms of its ability to meet the present and future financial needs of the citizens of the state.

Candidate's Position

Mr. Price explained that his candidacy in no way related to a position with respect to unit banking, branch banking or group banking. Charles M. Shea, legal counsel for the Beverly Bank, Beverly, and Henry Seyfarth,

chairman, First National Bank, Blue Island, were more outspoken in supporting the minority ticket. It was evident that Messrs. Shea and Seyfarth favored a change in Illinois law restricting holding companies and branch banking. Mr. Shea was formerly with James Saxon when he served as Comptroller of the Currency.

In placing the opposition slate in nomination, Ward Weaver, president, Schaumburg State Bank, said the nominations were "to call attention to a minority viewpoint that has been sadly overlooked."

President Stults said Illinois banking structure should be evaluated on the basis of the health of the state's economy, which he said ranks at the top when compared with other states. Another yardstick, he said, is whether a community is better served by local bank ownership and management or by a bank owned by a large corporation.

Previous to the secret ballot, minority candidates told the NORTHWESTERN BANKER that they would withdraw from the race if the Association would approve of the proposed banking



OPENING SESSION was led by the Rev. John S. Hubner, pastor, Edgebrook Community Church, Chicago; Thomas V. King, pres., Chicago Convention Bureau, and IBA Pres. Allen P.

Stults. **RIGHT**—Enjoying the session were Laird Taylor, asst. v.p., Millikin Natl. Bk., Decatur; Jack W. Impey and Peter L. Engstrom, v.p.s of Financial Insurance Service, Inc., Des Plaines.

Northwestern Banker, June, 1969

study. The proposal was defeated in committee by a vote of 28 to 2.

Other successful candidates elected to assist Mr. Heins during his term as president are: first vice president—Fred W. Heitmann, Jr., president, Northwest National Bank of Chicago;

second vice president — Lewis H. Clausen, president, The Champaign National Bank, and treasurer—Arthur Werre, Jr., president, First National Bank of Steeleville. All were nominated by the Association's nominating committee.

The formal convention program was headed by some of Illinois' best-known leaders including Governor Richard B. Ogilvie; Henry W. McGee, pastmaster of the Chicago Post Office, and Robert C. Gunness, president, Standard Oil Company (Indiana), Chicago. Special



KEY LINE SYSTEM, currently being introduced by Continental Illinois Natl. Bk & Tr. Co., Chicago, is explained by **Arthur S. Littlefield, Jr.**, v.p. of Continental to **John Thill**, v.p., Old Second National Bank, Aurora, and **Larry Frowick**, v.p., Continental.

RIGHT—Nominating committee for 50-year club of IBA included **C. Edgar Johnson**, retired sr. v.p., First Natl. Bk. of Chicago; **Charles Albers**, mgr., Chicago Clearinghouse, and **T. Earl McNamara**, chmn, Union Natl. Bk., Streator.



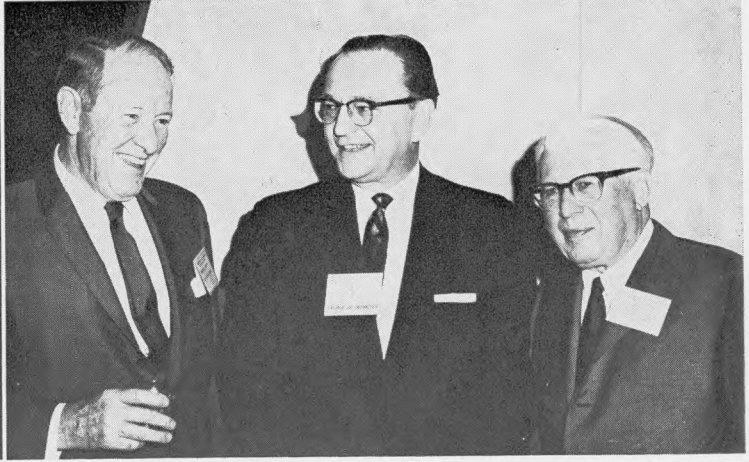
RIBBON-CUTTING at new First Natl. Bk. of Chicago occurred at same time Illinois Bankers Convention was in session. Shown at left are **Homer Livingston**, retired chairman of the First, visiting with Mayor **Richard Daley** at the special ceremonies.

RIGHT—**Robert L. Holt**, chmn. & pres., Elgin Natl. Bk.; **George Jacobsmeyer**, v.p., American Natl. Bk & Tr. Co., Chicago, and **Eugene Abegg**, chmn., Illinois Natl. Bk. & Tr. Co., Rockford, visit in American's suite.



HOSPITALITY SUITES were popular. Here **Miss Debra McCall**; **Chas. McCall**, deputy comm. of Illinois St. Bk. Dept; **John Obermann**, v.p. Mercantile Tr. Co., St. Louis; and **Mr. and Mrs. Larry Kuhn**, pres., Jefferson Tr. & Sav. Bk., Peoria, visit in Mercantile room. **RIGHT**—**Pat J. Fleming**, chmn., First Natl. Bk., O'Fallon

and **Don E. Brown**, exec. v.p., First Natl. Bk., O'Fallon, visit with **James Haynes**, Public relations dir., Springfield Marine Bank; **Mr. and Mrs. James Singer**, asst. v.p., and **Don Lasater**, pres., Mercantile Tr. Co., St. Louis.

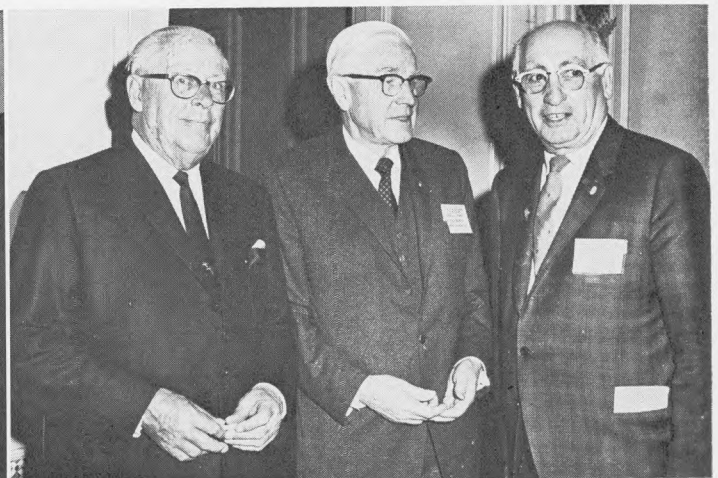


FOUNDATION for Full Service Banks was represented by **Oliver Daggert**, Sterling, and **Paul Miller**, v.p., Harris Tr. & Sav. Bk., Chicago. Mr. Miller served as chmn. for Illinois. **RIGHT—**

Chas. Thompson, exec. v.p., Laura St. Bk., visits with **Robert Logan**, pres., Central National Bank in Chicago, and **Harold Bacon**, chmn., Home St. Bk., Crystal Lake.



SPECIAL PARTY was held by Scarborough and Co., Chicago. **Ed Arseneault**, pres., Soy Capital Bank, Decatur, is greeted by **Richard Ross**, pres. of host firm. **RIGHT—Laird Taylor**, asst. v.p., Millikin Natl. Bk., Decatur, and **Robert Lough**, pres., Dro-



vers Natl. Bk., Chicago (seated) are shown with **Fred Cummings**, v.p., Drovers; **Bernard Miller**, vice president, Drovers, and **Billy C. Kemper**, cash., First Natl. Bk., Sullivan, in Drovers suite.

talks were given by Willis W. Alexander, ABA president, on controlling inflation, and by E. B. Harris, president, Chicago Mercantile Exchange on how hedging helps protect livestock loans.

Outgoing President Stults has been endorsed by the Illinois Bankers Association as a candidate for vice president of the American Bankers Association. Election will take place at the 95th annual ABA convention in Hawaii, September 28-October 1.

The 78th annual Illinois convention closed in harmony as delegates and their wives attended the annual banquet featuring Lee Castle and his fabulous Jimmy Dorsey Orchestra. It was felt by some delegates that the opposing views may cause a break in the 1,067-member Association—but if this happens—it was not evident as the band played on.—**End.**

ON THE COVER

Ribbon-cutting ceremonies marked the opening on May 26 of The First National Bank of Chicago's new \$110

million building. Pictured on the cover at the ceremony are (left to right): **The Hon. Richard B. Ogilvie**, Governor of Illinois; **Homer J. Livingston**, who retired recently as chairman of the bank board of directors; **Gaylord A. Freeman, Jr.**, chairman of the board of First National, and **The Hon. Richard Daley**, Mayor of Chicago.

Immediately following the 8:30 a.m. ceremony, the First National opened for business in the 60-story building at One First National Plaza after a record-setting weekend move from the old bank building next door.

Gov. Ogilvie and Mayor Daley joined Chairman Freeman in brief ceremonies:

- Paying tribute to Mr. Livingston, retired bank chairman under whose administration the bold new plaza development was conceived.
- Dedicating the sweeping skyscraper to all it will serve and all who build it.
- Cutting a blue and silver ribbon to open the new bank building's

doors to customers for the first time.

The First National Plaza development includes three major elements:

1. The \$110 million skyscraper of granite, steel and glass, tallest bank building in the world, with many outstanding features.
2. A 30-story office building under construction on the west side of Clark Street at Two First National Plaza, to be linked underground with the bank building and provide additional space for bank and tenant offices.
3. An open, landscaped plaza to replace the old bank building on the south half of the block, with a personal banking center, restaurant, shops, underground parking, 500-seat meeting room, a fountain and sculpture—all designed to bring a new sense of grace and beauty to the center of the city.

Another story on page 26 describes the extensive campaign carried out by First National to publicize the opening of the new building.

WANT ADS

Rates 25 cents per word per insertion. Minimum: 12 words.
NORTHWESTERN BANKER
306 15th St., Des Moines, Iowa

AGRICULTURAL LOAN OFFICER

Progressive \$4 million bank in northeast Iowa needs experienced agricultural loan officer. Write File DIB, in care of NORTHWESTERN BANKER, 306 Fifteenth Street, Des Moines, Iowa 50309.

\$10.00 IS

The price of a personal, air mail subscription to the Crouse Farm Business Reports. They help keep loan officers and ag representatives ahead of the changing farm picture. Samples available. Farm Business Council, Inc., P.O. Box F, Urbana, Illinois 61801.

LEGAL FORMS

Any form you need we stock, or will print. Special forms then stocked for prompt shipment on reorders.

IOWA LEGAL BLANK
& PRINTING CO.,
Box 238, Webster City, Iowa

ACORN Sale Registers

"Accepted Sale Registers by Bank Clerks Everywhere"

For information write

THE ACORN PRINTING CO.
Oakland, Iowa

OPERATIONS POSITION OPEN IN DENVER COMMERCIAL BANK

Medium to large bank in Denver area. Rapid growth requires man with operations experience including supervision and knowledge of proof and transit, books, wire transfer, collections and/or customer service areas. Excellent benefits and opportunity to advance with expanding bank. Salary open. Send resume to NORTHWESTERN BANKER, File DJB, 306 Fifteenth St., Des Moines, Iowa 50309.



IOWA SEARCH, INC.
BOX 103 DES MOINES, IOWA 50301

TEL. (515) 243-3271

Uniform Commercial Code
Services

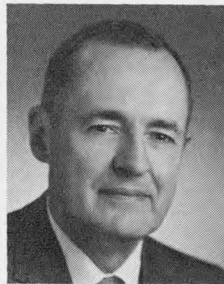
Iowa Bankers' Mushroom Safari



OUTDOORSMAN Jay Blackford (left), pres. of Union B&T, Ottumwa, and v.p., Iowa Bankers Assn., hosted Jim Lipton, IBA pres., and Ollie Hansen, immed. past IBA pres., and their wives on a mushroom hunting trip recently. Pictured with Mr. Blackford are, left to right, Mrs. Hansen, Mrs. Lipton, Mr. Lipton, who is exec. v.p. & cash., Ida County State Bank, Ida Grove; Mr. Hansen, who is pres., Liberty T&S, Durant, and their guide, Russell Allen, dir., South Ottumwa Sav. Bk. For further news on "The Great Mushroom Hunt," see award picture on page 104.

Joins Sioux City Bank

After more than 25 years in the public accounting field in Sioux City, Gaylord W. Smith has joined the staff of Security National Bank. Mr. Smith was elected vice president and controller of the bank at the meeting of the board of directors last month.



G. W. SMITH

Mr. Smith is a Certified Public Accountant holding certificates from Iowa, Nebraska and South Dakota and is a member of the American Institute of Certified Public Accountants and the American Accounting Association. He is now serving as a member of the State Taxation Committee of the Iowa Society of Certified Public Accountants. He has served as an instructor for the American Institute of Banking and as a lecturer at Morningside College.

For the past nine years, Mr. Smith has been a partner in the firm of Williams and Company, Certified Public Accountants.

Marks 50 Years

Merten G. Klaus, president of the First Security Bank and Trust Company, Charles City, was honored last month by bank employees at a dinner at the Charles City Country Club. Mr. Klaus celebrated his 50th anniversary in the banking business.

Opens New Facility

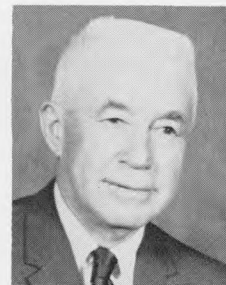
Approximately 3,500 visitors attended the recent open house at the Clear Lake Bank and Trust Company. The open house marked the opening of the bank's new 7,200-square-foot addition and the bank's 35th anniversary.

The new addition includes executive offices, drive-in and walk-up windows, as well as a new president's office, employees' lounge and board of directors' room on the second floor of the structure.

Elected Vice President and Director at Williamsburg

Otto Huedepohl, who has been a director of Farmers Trust and Savings Bank in Williamsburg for many years, recently was elected vice president and director. The announcement was made following the board meeting by Obert L. Larson, president.

Mr. Huedepohl will continue his active participation in functions of the board of directors but will be on inactive status as vice president.



O. HUEDEPOHL



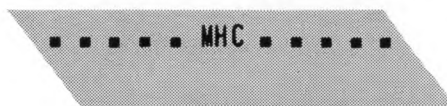
MANUFACTURERS HANOVER CORPORATION



A new corporate symbol:

Manufacturers Hanover Corporation is the one-bank holding company whose subsidiary is Manufacturers Hanover Trust Company. The new corporate structure places the Bank in the best possible position to be more useful in more ways to its present and potential customers.

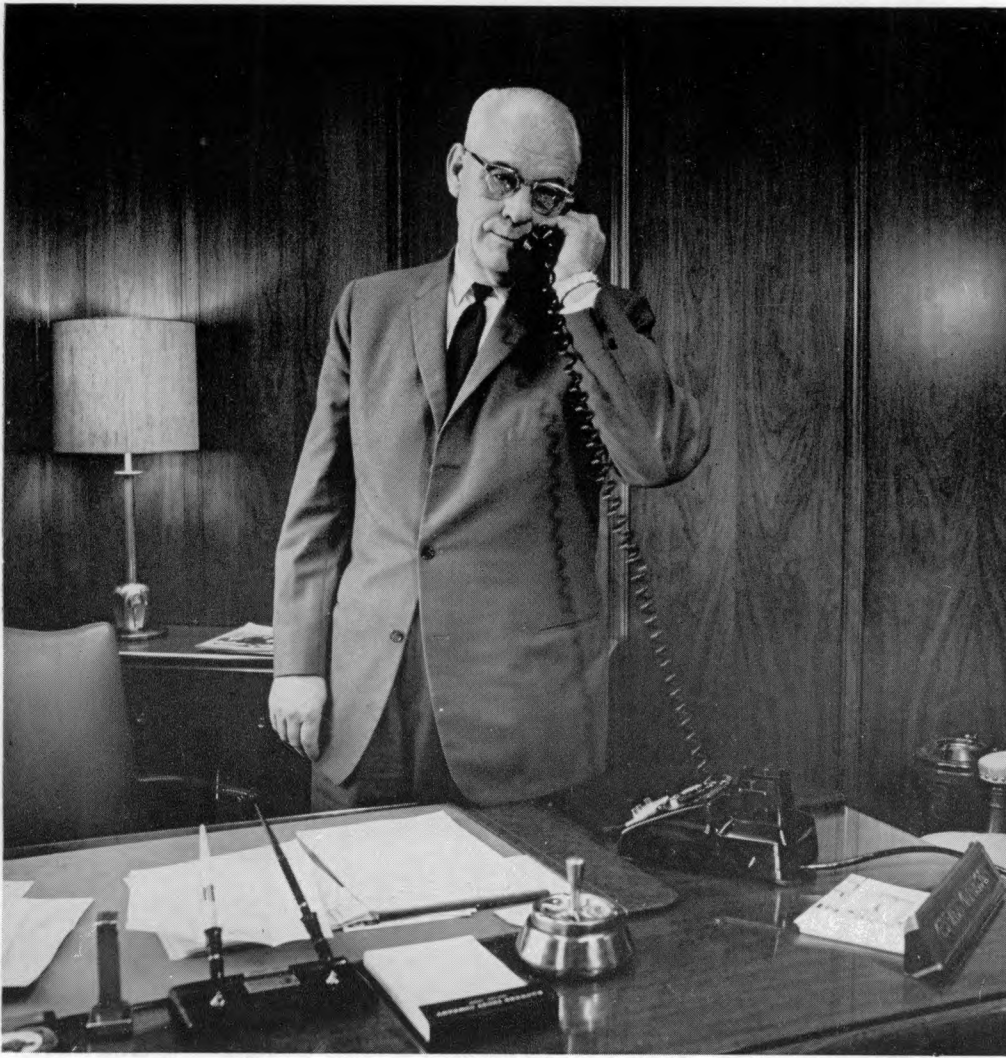
A new symbol for investors:



The listing of Manufacturers Hanover Corporation on the New York Stock Exchange enables the public to share more easily in the future of a great financial organization by providing a broader market for its securities.

MANUFACTURERS HANOVER CORPORATION

MANUFACTURERS HANOVER TRUST COMPANY
Subsidiary



yes!

*We think you'll find
our Grain Draft Collections
a little bit better.*

And a little bit faster . . . a little bit less expensive, too.
Why? Because we have established correspondent accounts
in all key markets. There is never any delay, never extra
charges caused by unnecessary, time-consuming handling.

Call Jerry Nelson—that's Jerry's picture above—or any
of our other officers at any time you want correspondent
services that's . . . a little bit better.

IOWA-DES MOINES NATIONAL BANK

Sixth and Walnut, Des Moines 50304 • 284-8686
Member Federal Deposit Insurance Corporation

